THE CITY OF

BURLESON

TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

THE CITY OF

BURLESON

TEXAS

CITY OF BURLESON, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED SEPTEMBER 30, 2025

CITY OFFICIALS

Chris Fletcher
Mayor

Dan McClendon	**Mayor Pro Tem**
Victoria Johnson	**Councilmember**
Phil Anderson	**Councilmember**
Alexa Boedeker	**Councilmember**
Larry Scott	**Councilmember**
Adam Russell	**Councilmember**

Tommy Ludwig
City Manager

Harlan Jefferson
Deputy City Manager

Eric Oscarson
Deputy City Manager

Mark Davies
Director of Finance

Prepared by: Finance Department

THE CITY OF

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City of Burleson, Texas

Annual Comprehensive Financial Report
For the Year Ended September 30, 2025

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Introductory Section

THE CITY OF
BURLESON
TEXAS

THE CITY OF BURLESON TEXAS

141 West Renfro
Burleson, Texas 76028-4261
www.burlesontx.com
March 23, 2026

TO: The Honorable Mayor, Members of the City Council, and Citizens of Burleson (the "City")

Submitted herewith is a copy of the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2025. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge, the enclosed data is accurate in all material respects and fairly presents the City's financial position and operational results on both a Government-wide and Fund basis. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

These statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) for local governments as prescribed by the Governmental Accounting Standards Board (GASB). GASB requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of management's discussion and analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditor's report.

THE REPORTING ENTITY

The City is a political subdivision and municipal corporation of the State, duly organized and existing under the laws of the State and the City's home rule Charter. Burleson was incorporated in 1912. The City operates under a Council-Manager form of government and provides a full range of services that include: police and fire protection, sanitation services, library services, construction and maintenance of streets and infrastructure, parks and recreation, code enforcement, planning and zoning, economic development, water and wastewater services, and general administrative services. The accompanying ACFR includes all governmental organizations and functions for which the City is financially accountable, as well as its blended component units. Although legally separate entities, the Burleson 4B Community Services Development Corporation, the Burleson 4A Economic Development Corporation and Tax Increment Finance Reinvestment Zone Number Two are in substance part of the primary government's operations and are included as part of the primary government. Additional information on these component units can be found in the notes to the financial statements.

ECONOMY AND BUSINESS CLIMATE

Burleson is located along the southwestern edge of the Dallas/Fort Worth Metroplex, on Interstate Highway 35W, State Highway 174, and the Chisholm Trail Parkway toll road. Economically, this region is ranked as one of the most robust in Texas, a state that in recent years has trended well ahead of the national economy. Local measures of business activity have recovered and surpassed peak levels.

Tax abatements are available from the City of Burleson for qualifying businesses and are negotiated on an individual basis. Tax abatements are limited to ten (10) years in length and the amount ranges up to 100% of real and personal property annually. Current tax abatements have resulted in hundreds of jobs created and over $100 million dollars of investment. The City is currently experiencing a strong expansion of business with more than $234 million in new taxable value added in 2025.

Although the City of Fort Worth adjoins much of Burleson's northern boundary, the remaining three directions are surrounded by an extensive extra-territorial jurisdiction (ETJ). The City's corporate limits include more than 28 square miles and its extraterritorial jurisdiction (ETJ) is comprised of approximately 35,000 acres. Combined, Burleson's city limit and ETJ include more than 23,000 undeveloped acres. In 2017, The Texas State Legislature significantly restricted cities' abilities to involuntarily annex within their ETJs. The City of Burleson was proactive prior to 2017 in obtaining development agreements in large, strategic portions of its ETJ. These development agreements allow the City to pursue annexation when these areas develop. This has allowed the City to work with property owners to ensure orderly development of these areas and program our capital improvements to ensure services are provided.

Once largely agricultural, these areas have developed into a form of semi-urban, residential use. With vibrant retail destinations and commercial development many individuals and families residing in these adjacent areas shop, dine, and send their children to schools located in Burleson. Thus, functionally speaking, Burleson's estimated population of approximately 55,144 as of January 1, 2025, belies the true size of the community's economy. The combination of highway accessibility and more than 400,000 people located within the retail trade area create a community with a strong and growing trade area.

LONG-TERM PLANNING

These focus areas create a roadmap for achieving the long-term goals and objectives that have been articulated by the City Council, and play a key role in the budget process, as well as long-term financial planning of the City's major funds. The strategic focus areas are:

- Operational Excellence
- Infrastructure
- Community
- Public Safety

Five year projections are prepared for all of the City's major funds with the focus on maintaining year end fund balances that meet or exceed their requirements. In addition, the City continues to prepare five year capital improvement plans (CIP) for streets and drainage, parks, and water and wastewater projects. The five year projections and five year CIPs are presented to Council throughout the budget process and provide a great opportunity for feedback and direction. Incorporating financial projections and the CIP into the budget process is essential for achieving the City's strategic focus and ensuring long-term fiscal sustainability.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. These controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability of assets. The concept of reasonable assurance recognizes that the costs of a control should not exceed the benefits likely to be derived from the control. The evaluation of costs and benefits requires estimates and judgments by management. We believe that the City's current system of internal accounting controls adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

In addition to the system of internal controls, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation budget adopted by the City Council. Budgetary control is exercised at the fund level. Activities of the Governmental and Proprietary Funds are closely reviewed at mid-year. If necessary, the original budget is modified and incorporated into a proposed mid-year budget, which is then used as the working budget for the remainder of the fiscal year. The City also maintains an encumbrance accounting system as one technique to help prevent the overspending of authorized appropriations.

Information regarding general accounting policies can be found in the notes to the basic financial statements.

INDEPENDENT AUDIT

An annual audit is required to be made of the financial statements of the City of Burleson by an independent auditor. Weaver and Tidwell, LLP was selected by the City Council to perform the audit for fiscal year ended September 30, 2025. The audit opinion is included in this report.

AWARDS

For the year ended September 30, 2024, the Government Finance Officers Association (GFOA) recognized the City for achievement in the presentation of the Annual Comprehensive Financial Report (ACFR). This was the 34th consecutive year that the City has received this prestigious national award. To earn the Certificate of Achievement, the City published an easy-to-read and efficiently organized Annual Comprehensive Financial Report with contents that conformed to program standards. Such reports satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for one year. The City believes that the current ACFR continues to meet the Certificate of Achievement Program requirements and thus is submitting it to GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA's Award for Distinguished Budget Presentation for the 36th consecutive year for its annual appropriated budget dated October 1, 2024. To qualify for the Budget Award, the City's budget document was judged proficient in all categories.

ACKNOWLEDGEMENTS

I want to express my appreciation to the Finance Department, City Management, Department Directors, Managers, and staff. Their collaborative effort and leadership were instrumental in the preparation of this report. Credit also must be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Burleson's finances.

Respectfully Submitted,

Finance Department

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Burleson
Texas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

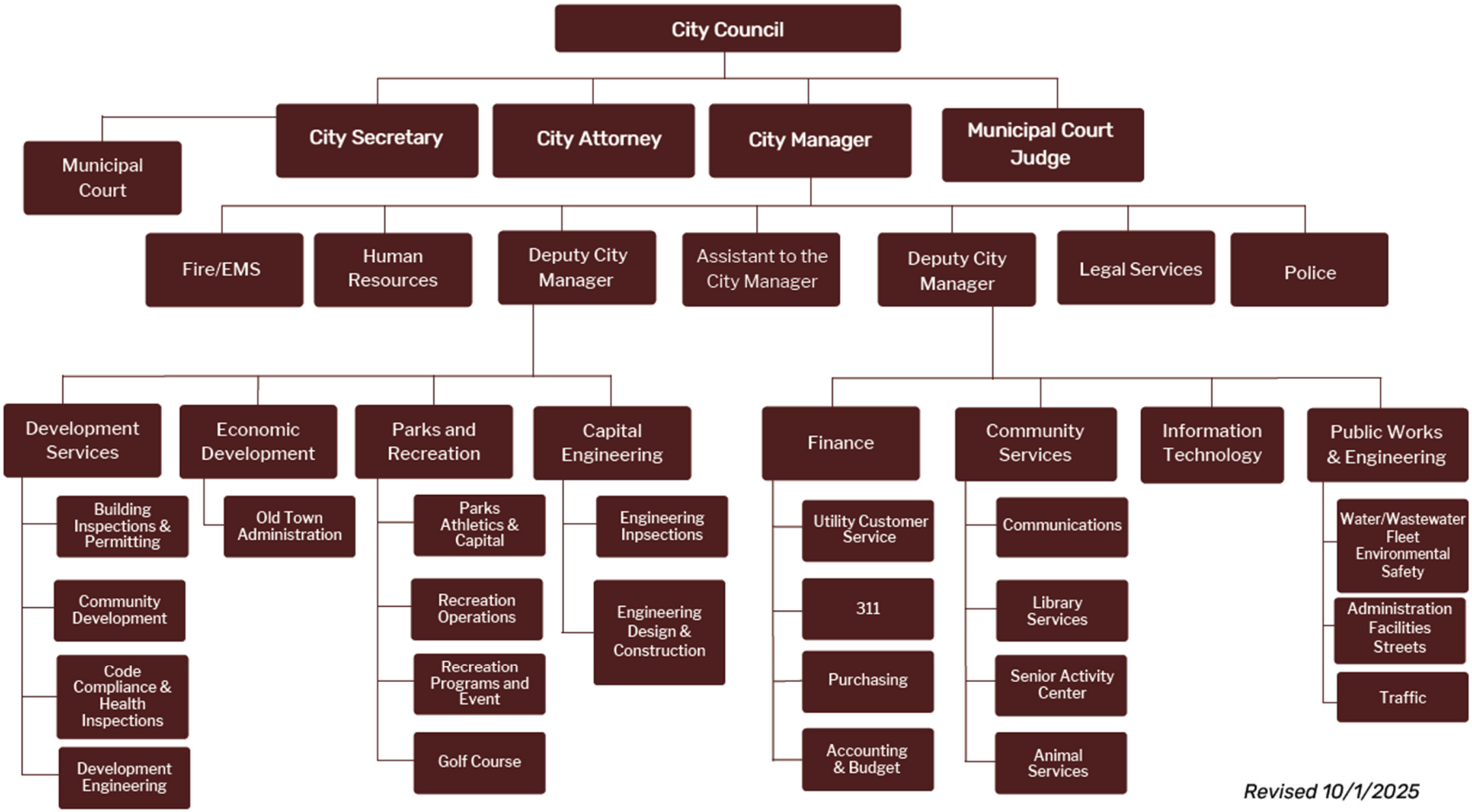
September 30, 2024

Christopher P. Morrill

Executive Director/CEO

THE CITY OF BURLESON TEXAS

Organizational Chart



CITY OF BURLESON, TEXAS

LIST OF PRINCIPAL OFFICIALS

SEPTEMBER 30, 2025

Elected Officials

Mayor	Chris Fletcher
Mayor Pro-Tem	Dan McClendon
Councilmember	Victoria Johnson
Councilmember	Phil Anderson
Councilmember	Alexa Boedeker
Councilmember	Larry Scott
Councilmember	Adam Russell

City Officials

City Manager	Tommy Ludwig
Deputy City Manager	Harlan Jefferson
Deputy City Manager	Eric Oscarson
Deputy City Attorney	Matt Ribitzki
Director of Finance	Mark Davies
Police Chief	Billy Cordell
City Secretary	Amanda Campos
Fire Chief	Casey Davis
Director of Parks and Recreation	Jen Basham
Director of Human Resources	Cheryl Marthiljohni
Chief Technology Officer	James Grommersch
Director of Development Services	Tony McIlwain
Director of Public Works	Errick Thompson
Director of Economic Development	Alex Philips
Director of Community Services	DeAnna Phillips
Director of Capital Engineering	Randy Morrison

Financial Section

THE CITY OF
BURLESON
TEXAS

2821 West 7th Street, Suite 700
Fort Worth, Texas 76107
817-332-7905

Independent Auditor's Report

Honorable Mayor, City Council
and City Manager
City of Burleson, Texas
Burleson, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Burleson, Texas (City), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Texas Municipal Retirement System pension schedules, Texas Municipal Retirement System OPEB schedule, and budgetary comparison information on pages 7 through 14 and 60 through 69 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Comprehensive Financial Report (ACFR)

Management is responsible for the other information included in the ACFR. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2026 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
March 12, 2026

THE CITY OF
BURLESON
TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Burleson's (City) annual financial report presents our discussion of the City's financial performance during the fiscal year ended September 30, 2025. Please read it in conjunction with the transmittal letter, which can be found preceding this narrative, and with the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by $357,666,178 (net position). Of this amount, $37,178,012 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.

- The City's total net position increased by $15,232,532 or 4.45% from previous year. The City's total unrestricted net position increased by $6,403,812, due to increases in revenues in both governmental and business-type activities which exceeded increases in expenses. $9,299,863 increase in net investment in capital assets resulted from additions in construction capital cost and land acquisitions netted against the decrease of related debt.

- As of the close of the current fiscal year, unassigned fund balance for the general fund was $21,661,774 or 35% of total general fund expenditures.

- The City's total debt increased by $31,240,000 during the current fiscal year. The increase represents the net effect of scheduled debt retirement and issuance of Series 2025 Tax and Limited Surplus Revenue Certificates of Obligation and Series 2025 General Obligation Bonds in the current year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

Government-wide Financial Statements - Government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing related to cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. (e.g., earned but unused vacation leave).

Both of the government-wide statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, parks and recreation, and community development. The business-type activities include water and wastewater operations, solid waste collection, the City's Hidden Creek Golf Course, and a cemetery.

Fund Financial Statements - The fund financial statements provide detailed information about the most significant funds – not the City as a whole. A fund is a grouping of related accounts that the City uses to maintain control over resources that have been segregated for specific activities and objectives. Some funds are required by state law or bond covenants. The Council establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants. The City has two types of funds:

Governmental Funds - These funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on near term inflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twenty individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the bond supported capital projects fund and general debt service fund, which are considered to be major funds. Data from the other seventeen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds – The City of Burleson maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Enterprise funds are used to account for water and wastewater, solid waste, golf, and cemetery operations. Internal Service Funds are accounting devices used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for the acquisition and replacement of major components of equipment used throughout the organization, such as the fleet of City vehicles, for the repair and maintenance of significant components of equipment used by the organization, and for the health self-insurance program.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The water & wastewater operations are considered to be a major fund of the City. All internal service funds are combined in a single presentation in the proprietary fund financial statements. Individual data for each of the nonmajor enterprise funds and internal service funds is provided in the form of combining statements elsewhere in this report.

Notes to the Basic Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information - The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the notes to the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows by $357,666,178 as of September 30, 2025.

The largest portion of the City's net position (83%) reflects its investments in capital assets (e.g., land, buildings, improvements, construction in progress, and infrastructure), less any debt used to acquire those assets that is still outstanding. The City uses these assets to provide service to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

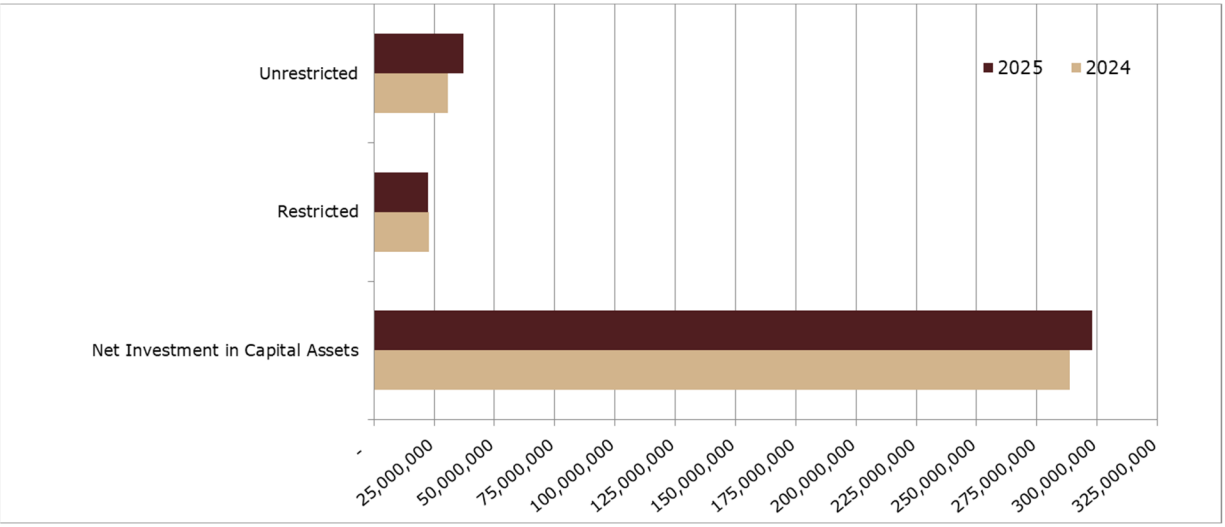
CITY OF BURLESON, TEXAS – NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2024	2025	2024	2025	2024	2025
Other assets	$ 133,561,696	$ 153,140,195	$ 40,591,894	$ 37,511,850	$ 174,153,590	$ 190,652,045
Capital assets	298,275,435	327,091,368	136,083,019	144,695,104	434,358,454	471,786,472
Total assets	431,837,131	480,231,563	176,674,913	182,206,954	608,512,044	662,438,517
Total deferred outflows of resources	11,467,143	7,856,279	1,139,028	791,472	12,606,171	8,647,751
Noncurrent liabilities – due in more than one year	179,982,156	196,247,598	55,010,680	58,623,522	234,992,836	254,871,120
Other liabilities	26,236,469	41,982,646	12,395,702	10,150,188	38,632,171	52,132,834
Total liabilities	206,218,625	238,230,244	67,406,382	68,773,710	273,625,007	307,003,954
Total deferred inflows of resources	3,953,688	5,246,969	1,105,874	1,169,167	5,059,562	6,416,136
Net position:						
Net investment in capital asset	196,476,618	203,839,036	92,255,311	94,166,336	288,731,929	298,005,372
Restricted	22,953,937	22,482,794	-	-	22,953,937	22,482,794
Unrestricted	13,701,406	18,288,799	17,046,374	18,889,213	30,747,780	37,178,012
Total net position	$ 233,131,961	$ 244,610,629	$ 109,301,685	$113,055,549	$ 342,433,646	$ 357,666,178

An additional portion of the City's net position (6%) represents resources that are subject to external restriction on how they may have been used. The remaining balance of unrestricted net position (11%) may be used to meet the City's ongoing obligation to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

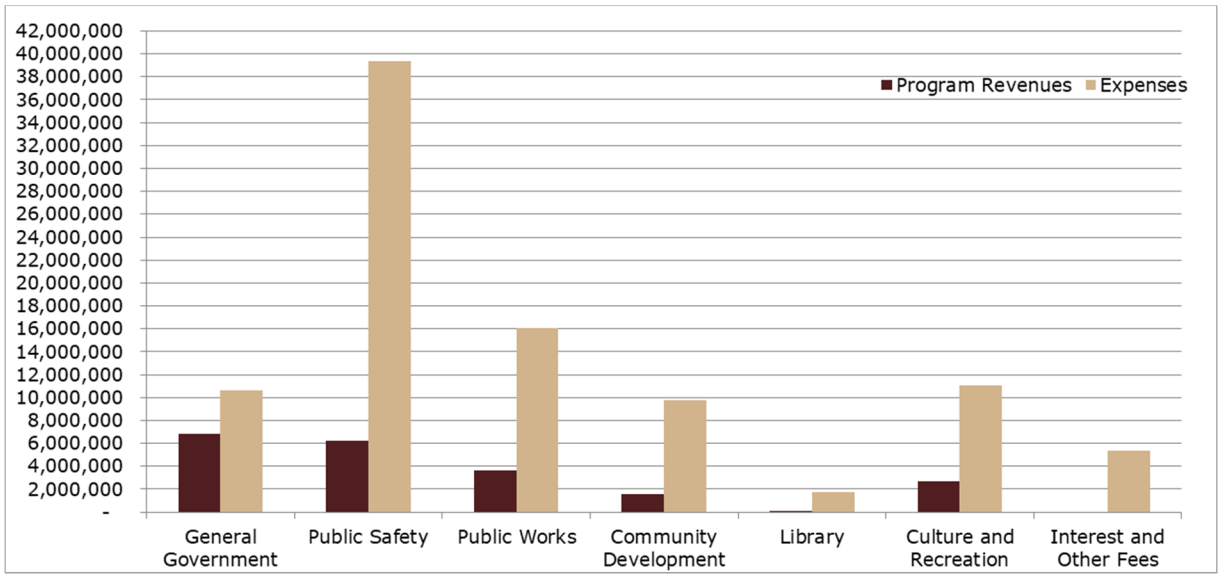
City of Burleson Net Position
September 30, 2024 and 2025



The City's overall net position increased $15,232,532 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

Governmental Activities. During the current fiscal year, net position for governmental activities increased $11,478,668, an increase of $286,999 from the prior fiscal year's increase in net position for governmental activities. Increase is primarily due to a 7.8% or approximately $2,959,000 increase in property taxes collected for general maintenance and operations due to increased valuations from the prior year, an 10.9% increase or approximately $455,000 in franchise fee revenues from the prior year, and a 14.8% increase or approximately $1,713,000 in charges for services over the prior year due to an increase in emergency services revenue.

Expenses and Program Revenues - Governmental Activities



Business-Type Activities. During the current fiscal year, net position for business-type activities increased by $3,753,864. The increase was the result of an approximately $2,684,000 increase in water and sewer revenues from increased consumption from the prior year related to growth in the number of accounts, increased usage, and an approximate 6% increase to rates.

CITY OF BURLESON, TEXAS – CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2024	2025	2024	2025	2024	2025
Revenues:						
Program Revenues:						
Charges for services	$ 11,541,762	$ 13,253,952	$ 32,970,946	$ 34,102,135	$ 44,512,708	$ 47,356,087
Operating grants and contributions	4,959,441	5,220,897	7,181	10,319	4,966,622	5,231,216
Capital grants and contributions	3,053,302	2,514,257	2,027,093	2,978,237	5,080,395	5,492,494
General Revenues:						
Taxes:						
Property taxes levied for general purposes	37,912,361	40,872,042	-	-	37,912,361	40,872,042
Tax Increment Financing	1,204,520	1,296,561	-	-	1,204,520	1,296,561
Sales and use taxes	30,091,181	31,209,336	-	-	30,091,181	31,209,336
Hotel / motel taxes	610,872	535,458	-	-	610,872	535,458
Franchise fees	4,168,878	4,623,978	-	-	4,168,878	4,623,978
Investment income	5,025,245	4,835,250	2,260,453	1,232,456	7,285,698	6,067,706
Gain (loss) on sale of assets	(715,205)	745,485	(497,120)	52,150	(1,212,325)	797,635
Total revenues	97,852,357	105,107,216	36,768,553	38,375,297	134,620,910	143,482,513
Expenses						
General government	10,207,283	10,644,502	-	-	10,207,283	10,644,502
Public safety	38,195,557	39,390,009	-	-	38,195,557	39,390,009
Public works	13,891,525	16,088,223	-	-	13,891,525	16,088,223
Community development	8,327,647	9,790,718	-	-	8,327,647	9,790,718
Library	1,819,145	1,722,762	-	-	1,819,145	1,722,762
Parks and recreation	10,230,231	11,023,017	-	-	10,230,231	11,023,017
Interest and other fees	4,370,179	5,381,426	-	-	4,370,179	5,381,426
Water & wastewater	-	-	27,370,058	26,132,452	27,370,058	26,132,452
Hidden Creek Golf course	-	-	3,214,012	3,357,339	3,214,012	3,357,339
Solid Waste	-	-	4,260,205	4,626,800	4,260,205	4,626,800
Cemetery	-	-	63,563	92,733	63,563	92,733
Total expenses	87,041,567	94,040,657	34,907,838	34,209,324	121,949,405	128,249,981
Change in net position before transfers	10,810,790	11,066,559	1,860,715	4,165,973	12,671,505	15,232,532
Transfers	(67,043)	412,109	67,043	(412,109)	-	-
Change in net position	10,743,747	11,478,668	1,927,758	3,753,864	12,671,505	15,232,532
Net position - beginning	222,388,214	233,131,961	107,373,927	109,301,685	329,762,141	342,433,646
Net position - ending	$233,131,961	$244,610,629	$ 109,301,685	$ 113,055,549	$ 342,433,646	$ 357,666,178

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds – The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Unassigned fund balance serves as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance, which has not yet been limited to use for a particular purpose.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $123,819,097. The 83% or $102,157,323 of this total has constraints on its spending because it is classified as either (1) non-spendable for inventory and prepaid items; (2) restricted for debt service, public safety, parks and recreation, library, economic development, tourism, capital projects, and other; and (3) committed for capital projects, debt service and other. Approximately 17% of the combined ending fund balance, or $21,661,774, constitutes unassigned fund balance and is in the General Fund.

Net change in fund balance was an increase of $15,520,312 of which 9% is from the General Fund, 6% from Non-major Governmental Funds, -13% from General Debt Service Fund and the remaining 99% is from Bond Funded Capital Projects fund.

The increase of $1,348,333 in the General Fund is primarily due to overall General Fund revenues exceeding overall expenditures reflecting the overall management of the governmental funds to ensure sources of funds are sufficient to meet the uses of funds.

The $14,171,979 increase in Other Governmental Funds, due to the issuance of bonds in the amount of $41,830,000 with offsetting of $29,925,931 related expenditures.

The Bond Funded Capital Projects fund increased by $15,318,735 finishing the year at $69,902,508. This is primarily due to the issuance of $41,830,000 in bonds for capital projects offset with approximately $29,925,931 in capital expenditures.

Proprietary funds – The City's proprietary funds provide the same type of information found in business-type activities in the government-wide financial statements, but in more detail.

Year-end net position in the water and wastewater fund amounted to $107,008,963. Net position in the water and wastewater fund increased $3,551,982. Difference is primarily due to an increase in capital contributions of $1,381,637 and a decrease in costs of collecting revenues and other administrative expenses of $1,709,236.

General Fund Budgetary Highlights –

Total actual revenue collections exceeded the revised estimates by about $325,603 over the revised estimate, primarily due to property tax revenues.

The general fund's final expenditures were approximately $3,949,754 less than the revised budget due to savings in personnel and benefits cost from vacancies and lower outside services expenditures than were budgeted.

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business type activities as of September 30, 2025 amounts to $471,786,472 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment and roads. The total increase in capital assets for the current fiscal year was approximately 9%.

Capital Assets at Year End
(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2024	2025	2024	2025	2024	2025
Land	$ 49,706,513	$ 49,955,630	$ 5,947,603	$ 6,832,320	$ 55,654,116	$ 56,787,950
Buildings & improvements	87,927,530	85,848,393	3,947,398	3,835,341	91,874,928	89,683,734
Infrastructure	115,984,504	111,348,128	-	-	115,984,504	111,348,128
Right-to-use lease assets	324,220	301,104	-	-	324,220	301,104
Right-to-use subscription assets	2,250,962	7,973,699	-	-	2,250,962	7,973,699
Machinery & equipment	11,677,586	10,510,999	1,832,108	2,503,074	13,509,694	13,014,073
Other	45,000	45,000	-	-	45,000	45,000
Water system	-	-	54,567,012	58,826,821	54,567,012	58,826,821
Wastewater system	-	-	48,413,465	48,539,901	48,413,465	48,539,901
Intangible assets	-	-	1,259,003	1,202,497	1,259,003	1,202,497
Construction in progress	30,359,120	61,108,415	20,116,430	22,955,150	50,475,550	84,063,565
Total	$ 298,275,435	$ 327,091,368	$ 136,083,019	$ 144,695,104	$ 434,358,454	$ 471,786,472

Major capital asset events during the current fiscal year included the following:

- Construction costs related to street and traffic improvements amount to approximately $10,166,000
- Construction costs related to water and sewer infrastructure amounted to approximately $10,619,000
- Cost of improvements to buildings for City Facilities amounted to approximately $9,492,000.
- Approximately $1,048,000 of water lines were donated by developers.
- Approximately $2,685,000 of sewer lines were donated by developers.
- Streets and sidewalks worth approximately $906,000 were donated by developers.

Additional information on the City's capital assets can be found in Note 4 in the notes to basic financial statements.

DEBT ADMINISTRATION

At the end of the current fiscal year, the City had total bonded debt issues of $229,520,000. Of this amount, $57,365,000 comprises of general obligation (GO) outstanding bonds debt backed solely by the full faith and credit of the City, $170,315,000 represent certificate of obligation (CO) bonds secured by a combination of property taxes and a limited pledge of other revenues, and $1,840,000 secured by revenues generated from the City's water and wastewater utility. The total GO and CO outstanding debt of $227,680,000 includes self-supporting debt of $56,565,291 paid with revenues generated from the City's water and wastewater utility, $68,195,000 paid with revenue generated from sales tax dedicated to the Burleson 4B Community Service Corporation (Type 4B) and Burleson 4A Economic Development Service Corporation (Type A) and $8,230,000 to be paid with tax revenues generated from the Reinvestment Zone Number Two reflected in the TIF 2 Fund, with the remaining balance of $94,689,709 paid directly from the debt rate portion of the property tax rate.

Additional information on the City's outstanding debt can be found in Note 7 in the notes to basic financial statements.

Outstanding Debt at Year End

	Governmental Activities		Business-type Activities		Total	
	2024	2025	2024	2025	2024	2025
General obligation bonds	$ 47,900,232	$ 49,089,709	$ 11,269,768	$ 8,275,291	$ 59,170,000	$ 57,365,000
Certificate of obligation bonds	96,100,000	122,025,000	40,945,000	48,290,000	137,045,000	170,315,000
Utility system revenue bonds	-	-	2,065,000	1,840,000	2,065,000	1,840,000
	$ 144,000,232	$ 171,114,709	$ 54,279,768	$ 58,405,291	$ 198,280,000	$ 229,520,000

The City maintains favorable bond ratings as assigned from the following rating agencies:

	Moody's Investors Service	Standard & Poor's
General obligation bonds	Aa2	AA
Water & wastewater revenue bonds	A1	AA-
4A sales tax revenue bonds	NA	AA-
4B sales tax revenue bonds	NA	AA-

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

In the fiscal year 2026 budget, the City adopted a property tax rate of $0.7218 per $100 value, which was $0.0591 more than the previous rate of $0.6627 per $100 value. The 2026 budget also includes a five percent (5%) homestead exemption, increased from 3%. The 2026 budget will raise more property taxes than the prior year budget by eleven percent (11%). The taxable value of an average residential property in Burleson was unchanged. The tax revenue to be raised from new property added to the tax roll in fiscal year 2026 is $901,697. Sales tax revenues are budgeted to increase by about 3% from fiscal year 2025 year-end projections and are budgeted at $16,246,211. General Fund total revenues including transfers are budgeted at $64,168,659, an (0.2%) increase from fiscal year 2025 budget. General Fund total expenditures are budgeted at $63,956,786; a one percent (1%) increase from the prior year budget. The result is an increase to fund balance in the amount of $211,873. This projected increase continues to maintain an unassigned fund balance at a level above the City's policy target of twenty percent (20%) of annual operating expenses.

The budget included an increase for both water and sewer utility services of 5% to align with city council's commitment to provide sufficient water and sewer capacity as the city continues to grow. Water and Sewer Fund has a strong financial position and ability to continue meeting its debt obligations.

Solids waste operations are outsourced to a third-party vendor to handle the refuse and recycling of the community. The budgeted monthly rate is $25.11, an increase of $0.88 from the last fiscal year. Revenues and working capital are sufficient to meet the obligations.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Burleson's finances. Questions concerning any of the information provided in this report or requests for additional information may be obtained by contacting the City of Burleson, Attn: Finance Department, 141 West Renfro Street, Burleson, Texas 76028.

City of Burleson, Texas

Statement of Net Position
September 30, 2025

Exhibit A-1

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	$ 141,145,883	$ 28,627,406	$ 169,773,289
Receivables			
Taxes, net	948,661	-	948,661
Accounts, net	2,149,908	3,906,915	6,056,823
Leases	1,895,585	1,021,305	2,916,890
Due from other governmental units	5,216,984	-	5,216,984
Accrued interest	595,874	158,941	754,815
Inventories	40,738	476,342	517,080
Prepaid items	45,292	-	45,292
Internal balances	1,101,270	(1,101,270)	-
Total current assets	153,140,195	33,089,639	186,229,834
Noncurrent assets:			
Restricted cash and investments	-	4,422,211	4,422,211
Capital assets:			
Nondepreciable	111,109,045	29,787,470	140,896,515
Depreciable, net of depreciation/amortization	215,982,323	114,907,634	330,889,957
Total noncurrent assets	327,091,368	149,117,315	476,208,683
Total assets	480,231,563	182,206,954	662,438,517
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	-	148,600	148,600
Deferred outflows related to pensions	7,621,388	623,649	8,245,037
Deferred outflows related to OPEB (RHP & SDBF)	234,891	19,223	254,114
Total deferred outflows of resources	7,856,279	791,472	8,647,751
LIABILITIES			
Accounts payable	9,382,811	3,673,438	13,056,249
Accrued liabilities	3,098,393	234,584	3,332,977
Accrued interest payable	631,926	189,724	821,650
Deposits payable	-	832,192	832,192
Unearned revenue	891,467	-	891,467
Current portion of:			
Bonds, leases, subscriptions, compensated absences	21,228,049	5,220,250	26,448,299
Net pension liability	5,824,000	476,000	6,300,000
Total OPEB liability (RHP & SDBF)	416,000	34,000	450,000
Total current liabilities	41,472,646	10,660,188	52,132,834
Noncurrent Liabilities			
Bonds, leases, subscriptions compensated absences	174,827,292	56,318,383	231,145,675
Net pension liability	17,363,992	1,421,443	18,785,435
Total OPEB liability (RHP & SDBF)	4,566,314	373,696	4,940,010
Total noncurrent liabilities	196,757,598	58,113,522	254,871,120
Total liabilities	238,230,244	68,773,710	307,003,954
DEFERRED INFLOWS OF RESOURCES			
Deferred charge on refunding	231,100	-	231,100
Deferred inflows related to leased assets	1,781,375	904,492	2,685,867
Deferred inflows related to pensions	1,940,544	158,792	2,099,336
Deferred inflows related to OPEB (RHP & SDBF)	1,293,950	105,883	1,399,833
Total deferred inflows of resources	5,246,969	1,169,167	6,416,136
NET POSITION			
Net investment in capital assets	203,839,036	94,166,336	298,005,372
Restricted for			
Debt service	4,350,661	-	4,350,661
Public safety	198,624	-	198,624
Other purposes	710,019	-	710,019
Economic development/tourism	16,329,533	-	16,329,533
Parks and recreation	723,597	-	723,597
Library	170,360	-	170,360
Unrestricted	18,288,799	18,889,213	37,178,012
TOTAL NET POSITION	$ 244,610,629	$ 113,055,549	$ 357,666,178

The Notes to the Financial Statements are an integral part of this statement.

City of Burleson, Texas
Statement of Activities
For the Year Ended September 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions
Primary Government			
Governmental activities:			
General government	$ 10,644,502	$ 5,809,599	$ 981,636
Public safety	39,390,009	2,728,744	3,318,527
Public works	16,088,223	367,366	920,734
Community development	9,790,718	1,589,052	-
Library	1,722,762	40,158	-
Parks and recreation	11,023,017	2,719,033	-
Interest on long-term debt	5,381,426	-	-
Total governmental activities	94,040,657	13,253,952	5,220,897
Business type activities:			
Water and wastewater	26,132,452	26,693,183	-
Hidden Creek Golf Course	3,357,339	2,633,943	-
Solid waste	4,626,800	4,700,410	-
Cemetery	92,733	74,599	10,319
Total business-type activities	34,209,324	34,102,135	10,319
TOTAL PRIMARY GOVERNMENT	$ 128,249,981	$ 47,356,087	$ 5,231,216

General revenues:	
Taxes:	
Property	
Tax increment financing	
Sales and use	
Hotel occupancy taxes	
Franchise fees based on gross receipts	
Unrestricted investment earnings	
Gain on disposal of capital assets	
Transfers between governmental and business-type activities	
Total general revenues and transfers	
Change in net position	
Net position - beginning	
Net position - ending	

The Notes to the Financial Statements are an integral part of this statement.

Program Revenues	Net (Expense) Revenue and Changes in Net Position		
Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
$ -	$ (3,853,267)	$ -	$ (3,853,267)
189,206	(33,153,532)	-	(33,153,532)
2,325,051	(12,475,072)	-	(12,475,072)
-	(8,201,666)	-	(8,201,666)
-	(1,682,604)	-	(1,682,604)
-	(8,303,984)	-	(8,303,984)
-	(5,381,426)	-	(5,381,426)
2,514,257	(73,051,551)	-	(73,051,551)
2,978,237	-	3,538,968	3,538,968
-	-	(723,396)	(723,396)
-	-	73,610	73,610
-	-	(7,815)	(7,815)
2,978,237	-	2,881,367	2,881,367
$ 5,492,494	$ (73,051,551)	$ 2,881,367	$ (70,170,184)
	40,872,042	-	40,872,042
	1,296,561	-	1,296,561
	31,209,336	-	31,209,336
	535,458	-	535,458
	4,623,978	-	4,623,978
	4,835,250	1,232,456	6,067,706
	745,485	52,150	797,635
	412,109	(412,109)	-
	84,530,219	872,497	85,402,716
	11,478,668	3,753,864	15,232,532
	233,131,961	109,301,685	342,433,646
	$ 244,610,629	$ 113,055,549	$ 357,666,178

City of Burleson, Texas

Exhibit B-1

Balance Sheet – Governmental Funds
September 30, 2025

	General	Bond Funded Capital Projects	General Debt Service Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	$ 20,665,203	$ 76,576,455	$ 4,786,969	$ 26,983,814	$ 129,012,441
Receivables:					
Taxes, net	450,179	-	182,921	315,561	948,661
Accounts, net	1,878,433	-	-	97,929	1,976,362
Leases	1,774,747	-	-	120,838	1,895,585
Due from other governmental units	2,629,244	-	-	2,587,740	5,216,984
Accrued interest	142,371	132,758	34,727	199,471	509,327
Due from other funds	566,847	-	-	-	566,847
Prepaid items	45,292	-	-	-	45,292
Total Assets	$ 28,152,316	$ 76,709,213	$ 5,004,617	$ 30,305,353	$ 140,171,499
LIABILITIES					
Accounts payable	$ 673,346	$ 6,806,705	2,516	$ 1,468,434	$ 8,951,001
Accrued liabilities	2,591,348	-	-	380,964	2,972,312
Unearned revenue	-	-	-	891,467	891,467
Total Liabilities	3,264,694	6,806,705	2,516	2,740,865	12,814,780
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - mowing liens	39,763	-	-	-	39,763
Unavailable revenue - hotel occupancy taxes	-	-	-	85,829	85,829
Unavailable revenue - leased assets	1,672,311	-	-	109,064	1,781,375
Unavailable revenue - property taxes	395,969	-	162,173	-	558,142
Unavailable revenue - fines and fees	189,206	-	-	-	189,206
Unavailable revenue - franchise fees	883,307	-	-	-	883,307
Total Deferred Inflows of resources	3,180,556	-	162,173	194,893	3,537,622
FUND BALANCES					
Nonspendable:					
Prepaid items	45,292	-	-	-	45,292
Restricted:					
Debt service	-	-	4,839,928	142,659	4,982,587
Public safety	-	-	-	198,624	198,624
Parks and recreation	-	-	-	723,597	723,597
Library	-	-	-	170,360	170,360
Economic development	-	-	-	15,620,296	15,620,296
Tourism	-	-	-	709,237	709,237
Capital projects	-	69,902,508	-	-	69,902,508
Other purposes	-	-	-	710,019	710,019
Committed:					
Capital projects	-	-	-	9,094,803	9,094,803
Unassigned	21,661,774	-	-	-	21,661,774
Total Fund Balances	21,707,066	69,902,508	4,839,928	27,369,595	123,819,097
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 28,152,316	$ 76,709,213	$ 5,004,617	$ 30,305,353	$ 140,171,499

The Notes to the Financial Statements are an integral part of this statement.

City of Burleson, Texas

Exhibit B-2

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
September 30, 2025

Total fund balances - governmental funds		$ 123,819,097
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.		315,354,370
Internal service funds are used by the City's management for equipment maintenance and vehicle replacement. The assets and liabilities of certain internal service funds are included with governmental activities in the Statement of Net Position but are not included at the fund level.		16,254,750
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		1,756,247
Long-term liabilities and related balance sheet items are not due and payable in the current period and therefore are not reported as liabilities in the funds.		
Bonds payable	$ (180,350,470)	
Deferred charge on refunding	(231,100)	
Leases payable	(213,099)	
Subscription-based IT arrangements	(26,420)	
Accrued interest payable	(631,926)	
Compensated absences (net of ISF of $216,386)	(8,846,165)	
Net pension liability (net of ISF of $940,363)	(21,933,629)	
Deferred outflows related to pensions (net of ISF of $412,282)	7,209,106	
Deferred inflows related to pensions (net of ISF of $104,974)	(1,835,570)	
Total SDBF & RHP OPEB liability (net of ISF of $247,520)	(4,712,794)	
Deferred outflows related to SDBF & RHP OPEB (net of ISF of $12,705)	222,186	
Deferred inflows related to SDBF & RHP OPEB (net of ISF of $69,996)	$ (1,223,954)	
Combined adjustment		(212,573,835)
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES		$ 244,610,629

The Notes to the Financial Statements are an integral part of this statement.

City of Burleson, Texas

Exhibit B-3

Statement of Revenues, Expenditures
and Changes in Fund Balances - Governmental Funds
For the Year Ended September 30, 2025

	General	Bond Funded Capital Projects	General Debt Service Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	$ 30,391,302	$ -	10,496,962	$ 1,296,561	$ 42,184,825
Sales and use taxes	15,745,474	-	-	15,463,862	31,209,336
Hotel occupancy taxes	-	-	-	489,671	489,671
Franchise fees	4,239,804	-	-	37,890	4,277,694
Charges for services	5,925,163	-	-	2,698,618	8,623,781
Licenses and permits	1,244,156	-	-	-	1,244,156
Intergovernmental	2,089,690	-	-	2,199,035	4,288,725
Fines	537,877	-	-	38,291	576,168
Contributions and donations	-	-	-	1,078,942	1,078,942
Investment income	1,117,716	1,686,235	312,306	1,213,779	4,330,036
Mineral lease	-	-	-	209,811	209,811
Street assessments	-	-	-	124,505	124,505
Miscellaneous	1,853,887	-	-	491,246	2,345,133
Total Revenues	63,145,069	1,686,235	10,809,268	25,342,211	100,982,783
EXPENDITURES					
Current:					
General government	8,601,741	-	-	326,971	8,928,712
Public safety	35,687,061	-	-	1,021,920	36,708,981
Public works	8,643,140	50,800	-	212,227	8,906,167
Community development	4,240,997	-	-	5,390,714	9,631,711
Library	1,675,151	-	-	10,625	1,685,776
Parks and recreation	2,376,372	115,470	-	6,402,701	8,894,543
Capital outlay	350,020	29,925,931	-	6,233,968	36,509,919
Debt service:					
Principal retirement	66,336	-	14,715,523	-	14,781,859
Interest and fiscal agent charges	9,668	-	5,977,176	1,664	5,988,508
Debt issuance costs	-	351,588	-	-	351,588
Total Expenditures	61,650,486	30,443,789	20,692,699	19,600,790	132,387,764
Excess (deficiency) of revenues over (under) expenditures	1,494,583	(28,757,554)	(9,883,431)	5,741,421	(31,404,981)
OTHER FINANCING SOURCES (USES)					
Issuance of debt	-	41,830,000	-	-	41,830,000
Issuance of subscription-based IT arrangement	26,420	-	-	-	26,420
Premium on debt issuance	-	2,246,289	-	-	2,246,289
Proceeds from sale of land	-	-	-	2,410,475	2,410,475
Transfers in	1,498,083	-	7,872,217	4,489,569	13,859,869
Transfers out	(1,670,753)	-	-	(11,777,007)	(13,447,760)
Total other financing sources (uses)	(146,250)	44,076,289	7,872,217	(4,876,963)	46,925,293
Net change in fund balance	1,348,333	15,318,735	(2,011,214)	864,458	15,520,312
Fund balance, beginning, as previously presented	20,358,733	54,583,773	-	33,356,279	108,298,785
Change within financial reporting entity (nonmajor to major fund)	-	-	6,851,142	(6,851,142)	-
FUND BALANCE, ENDING, as adjusted	$ 21,707,066	$ 69,902,508	$ 4,839,928	$ 27,369,595	$ 123,819,097

The Notes to the Financial Statements are an integral part of this statement.

City of Burleson, Texas

Exhibit B-4

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2025

Net change in fund balances - total governmental funds		$ 15,520,312
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		
Capital outlay	$ 36,013,328	
Depreciation (net of internal service funds)	(11,590,204)	24,423,124
The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is reported with governmental activities.		419,710
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		548,683
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		(2,076,119)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		(44,102,709)
Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		15,861,283
Internal service funds are used by management to charge the costs of certain activities, such as equipment maintenance and vehicle replacement, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.		884,384
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 11,478,668

The Notes to the Financial Statements are an integral part of this statement.

City of Burleson, Texas

Exhibit C-1

Statement of Net Position – Proprietary Funds
September 30, 2025

	Business-Type Activities Enterprise Funds			
	Water & Wastewater	Nonmajor Enterprise Funds	Total	Internal Service Funds
ASSETS				
Current assets:				
Deposits and investments	$ 26,606,346	$ 1,611,142	$ 28,217,488	$ 12,543,360
Receivables:				
Accounts, net	3,280,581	608,784	3,889,365	191,096
Leases	1,021,305	-	1,021,305	-
Accrued interest	141,745	14,259	156,004	89,484
Inventories	476,342	-	476,342	40,738
Total current assets	31,526,319	2,234,185	33,760,504	12,864,678
Noncurrent assets:				
Restricted deposits and investments	4,422,211	-	4,422,211	-
Capital assets, net	138,569,164	4,311,461	142,880,625	13,551,477
Total noncurrent assets	142,991,375	4,311,461	147,302,836	13,551,477
Total assets	174,517,694	6,545,646	181,063,340	26,416,155
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	148,600	-	148,600	-
Deferred outflows related to pensions	443,910	179,739	623,649	412,282
Deferred outflows related to OPEB (RHP & SDBF)	13,683	5,540	19,223	12,705
Total deferred outflows of resources	606,193	185,279	791,472	424,987
LIABILITIES				
Current liabilities:				
Accounts payable	2,798,104	856,547	3,654,651	450,597
Accrued liabilities	128,422	106,162	234,584	126,081
Accrued interest payable	189,724	-	189,724	-
Subscription liabilities	-	-	-	948,840
Customer deposits	832,192	-	832,192	-
Due to other funds	-	566,847	566,847	-
Bonds and compensated absences	5,144,382	75,868	5,220,250	157,280
Net pension liability	339,000	137,000	476,000	314,000
Total OPEB liability (RHP & SDBF)	24,000	10,000	34,000	22,000
Total current liabilities	9,455,824	1,752,424	11,208,248	2,018,798
Noncurrent liabilities:				
Bonds and compensated absences	56,288,433	29,950	56,318,383	59,106
Subscription liabilities	-	-	-	5,453,961
Net pension liability	1,011,590	409,853	1,421,443	940,363
Total OPEB liability (RHP & SDBF)	266,196	107,500	373,696	247,520
Total noncurrent liabilities	57,566,219	547,303	58,113,522	6,700,950
Total liabilities	67,022,043	2,299,727	69,321,770	8,719,748
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to leased assets	904,492	-	904,492	-
Deferred inflows related to pensions	113,027	45,765	158,792	104,974
Deferred inflows related to OPEB (RHP & SDBF)	75,366	30,517	105,883	69,996
Total deferred inflows of resources	1,092,885	76,282	1,169,167	174,970
NET POSITION				
Net investment in capital assets	88,040,396	4,311,461	92,351,857	7,148,676
Restricted for debt service	-	-	-	-
Unrestricted	18,968,563	43,455	19,012,018	10,797,748
TOTAL NET POSITION	$ 107,008,959	$ 4,354,916	$ 111,363,875	$ 17,946,424
Net position of business-type activity internal service funds			2,226,097	
Adjustment to reflect activity between governmental and business-type activities			(534,423)	
Net position of business-type activities			$ 113,055,549	

The Notes to the Financial Statements are an integral part of this statement.

City of Burleson, Texas

Exhibit C-2

Statement of Revenues, Expenses,
and Changes in Net Position - Proprietary Funds
For the Year Ended September 30, 2025

	Business-Type Activities Enterprise Funds			
	Water & Wastewater	Nonmajor Enterprise Funds	Total	Internal Service Funds
OPERATING REVENUES				
Charges for goods and services	$ 26,089,321	$ 7,408,952	$ 33,498,273	$ 19,237,563
Penalties and interest	426,811	-	426,811	-
Miscellaneous	176,963	88	177,051	1,178
Mineral lease	-	10,319	10,319	-
Total operating revenues	26,693,095	7,419,359	34,112,454	19,238,741
OPERATING EXPENSES				
Water and wastewater services	17,196,159	-	17,196,159	-
Cost of golf operations	-	3,316,645	3,316,645	-
Cost of collecting revenues and other administrative expenses	3,894,168	-	3,894,168	12,005,035
Cost of cemetery operations	-	5,514	5,514	-
Cost of solid waste operations	-	4,628,194	4,628,194	-
Cost of equipment services	-	-	-	4,600,592
Materials, supplies, and cemetery lots	-	19,320	19,320	-
Depreciation	3,380,116	133,675	3,513,791	2,444,485
Total operating expenses	24,470,443	8,103,348	32,573,791	19,050,112
OPERATING INCOME (LOSS)	2,222,652	(683,989)	1,538,663	188,629
NON-OPERATING REVENUES (EXPENSES)				
Gain on disposition of capital assets	-	9,550	9,550	282,952
Investment income	1,135,901	74,781	1,210,682	536,625
Interest and fiscal agent charges	(1,701,542)	-	(1,701,542)	(9,637)
Other revenue	-	16,198	16,198	-
Total non-operating revenues (expenses)	(565,641)	100,529	(465,112)	809,940
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	1,657,011	(583,460)	1,073,551	998,569
Transfers in	46,782	717,943	764,725	-
Transfers out	(1,130,052)	(46,782)	(1,176,834)	-
Impact fees	664,196	-	664,196	-
Capital contributions	2,314,041	-	2,314,041	-
CHANGE IN NET POSITION	3,551,978	87,701	3,639,679	998,569
NET POSITION AT BEGINNING OF YEAR	103,456,981	4,267,215	107,724,196	16,947,855
NET POSITION AT END OF YEAR	$ 107,008,959	$ 4,354,916	$ 111,363,875	$ 17,946,424
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			114,185	
Change in net position of business-type activities			$ 3,753,864	

The Notes to the Financial Statements are an integral part of this statement.

City of Burleson, Texas
Statement of Cash Flows - Proprietary Funds
For the Year Ended September 30, 2025

	Business-Type Activities Enterprise Funds			Governmental Activities
	Water & Wastewater	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	$ 27,039,104	$ 7,457,533	$ 34,496,637	$ -
Refunds of customer deposits	100,899	-	100,899	-
Receipts from interfund services provided	-	-	-	19,148,872
Payments to suppliers and service providers	(16,205,575)	(6,281,909)	(22,487,484)	(13,402,753)
Payments to employees for salaries and benefits	(3,042,789)	(1,560,124)	(4,602,913)	(3,119,938)
Payments to other funds for services provided	(4,517,375)	215,810	(4,301,565)	-
Other receipts	-	10,319	10,319	1,178
Net cash provided by (used in) by operating activities	3,374,264	(158,371)	3,215,893	2,627,359
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Payments from other funds	46,782	717,943	764,725	-
Payments to other funds	(1,130,052)	(46,782)	(1,176,834)	-
Net cash provided by (used in) noncapital financing activities	(1,083,270)	671,161	(412,109)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Receipts from sale of capital assets	-	9,550	9,550	699,606
Principal paid on bonds/subscription liabilities/financed purchases	(5,309,477)	(363,827)	(5,673,304)	(486,019)
Interest payments on bonds/ subscription liabilities	(1,690,571)	15,864	(1,674,707)	(9,637)
Proceeds of bond issuance	9,989,300	-	9,989,300	-
Impact fees	664,196	-	664,196	-
Acquisition of capital assets	(9,643,096)	(32,596)	(9,675,692)	(2,038,437)
Net cash used in capital and related financial activities	(5,989,648)	(371,009)	(6,360,657)	(1,834,487)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	1,052,443	68,898	1,121,341	477,024
Net cash provided by investing activities	1,052,443	68,898	1,121,341	477,024
Net increase (decrease) in cash and cash equivalents	(2,646,211)	210,679	(2,435,532)	1,269,896
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR (including restricted deposits and investments of $14,840,147 in the water and wastewater fund)	33,674,768	1,400,463	35,075,231	11,273,464
CASH AND CASH EQUIVALENTS - END OF YEAR (including restricted deposits and investments of $4,422,211 in the water and wastewater fund)	$ 31,028,557	$ 1,611,142	$ 32,639,699	$ 12,543,360

The Notes to the Financial Statements are an integral part of this statement.

City of Burleson, Texas

Exhibit C-3

Statement of Cash Flows - Proprietary Funds
For the Year Ended September 30, 2025

	Business-Type Activities Enterprise Funds			Governmental Activities
	Water & Wastewater	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	$ 2,222,652	$ (683,989)	$ 1,538,663	$ 188,629
Depreciation	3,380,116	133,675	3,513,791	2,444,485
Change in operating assets and liabilities:				
(Increase) decrease in accounts receivable	374,333	48,493	422,826	(88,691)
(Increase) decrease in leases receivable	14,412	-	14,412	-
(Increase) decrease in inventories	77,634	-	77,634	(18,363)
(Increase) decrease in deferred outflows related to pension	269,294	82,141	351,435	96,812
(Increase) decrease in deferred outflows related to OPEB	13,451	4,422	17,873	6,662
Increase (decrease) in accounts payable	(2,757,968)	65,512	(2,692,456)	(282,981)
Increase (decrease) in accrued liabilities	(3,874)	19,076	15,202	26,560
Increase (decrease) in deposits payable	100,899	-	100,899	-
Increase (decrease) in due to other funds	-	215,810	215,810	-
Increase (decrease) in compensated absences	48,741	5,993	54,734	91,424
Increase (decrease) in net pension liability and total OPEB liability	(395,045)	(83,178)	(478,223)	70,681
Increase (decrease) in deferred inflows related to leased assets	(42,736)	-	(42,736)	-
Increase (decrease) in deferred inflows related to pension	77,124	32,582	109,706	79,346
Increase (decrease) in deferred inflows related to OPEB	(4,769)	1,092	(3,677)	12,795
Net cash provided by (used in) operating activities	3,374,264	(158,371)	3,215,893	2,627,359
Noncash capital and related financing activities:				
Contributions from developers	2,314,041	-	2,314,041	-
Retainage payable	(75,747)	-	(75,747)	-
Issuance of Subscription-based IT arrangements	-	-	-	6,136,620
Total noncash capital and related financing activities	$ 2,238,294	$ -	$ 2,238,294	$ 6,136,620

The Notes to the Financial Statements are an integral part of this statement.

THE CITY OF
BURLESON
TEXAS

Note 1. Summary of Significant Accounting Policies

The City's major operations include public safety, public works, culture, recreation, and community development. In addition, the City owns and operates a water and wastewater system, solid waste system, a golf course, and a cemetery.

The accounting policies of the City conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of more significant policies.

A. Reporting Entity

The City of Burleson, Texas (the "City") Home Rule Charter was adopted by the voters at an election held on April 5, 1969. The City operates under a Council-Manager form of government. As required by the accounting principles generally accepted in the United States of America, the basic financial statements present the City (primary government) and its component units.

The Burleson Community Service Development Corporation ("BCSDC") was incorporated June 25, 1993 as a nonprofit industrial development corporation under the Development Corporation Act of 1979 ("Act"). The Corporation is organized exclusively for the purposes of benefiting and accomplishing public purposes of, and to act on behalf of, the City, and the specific purposes for which the Corporation is organized. This includes the construction and renovation of municipal buildings and other facilities. Although it is legally separate from the City, the BCSDC is reported as if it were part of the primary government (blended) because its Board of Directors is substantively the same as the City Council. Separate financial statements for the BCSDC are not available.

The Burleson 4A Economic Development Corporation (the "4A Corporation") was incorporated September 28, 2000. The Corporation as organized is to promote and provide for economic development within the City and the State of Texas in order to eliminate unemployment and underemployment, and to promote and encourage employment and the public welfare of, for, and on behalf of the City by developing, implementing, providing, and financing projects under the Act and as defined in Section 4A of the Act. Although it is legally separate from the City, the 4A Corporation is reported as a blended component unit because its Board of Directors is substantively the same as the City Council and the primary government has operational responsibility for the component unit. Separate financial statements for the 4A Corporation are not available.

Tax Increment Finance Reinvestment Zone Number Two (TIF 2) was formed to finance and make public improvements serving only the City, under the authority of the Tax Increment Financing Act. The TIF is governed by a five-member board of directors, of which four members are appointed by the City Council. Although it is legally separate from the City, the TIF is reported as a blended component unit because its Board of Directors is substantively the same as the City Council and the primary government has operational responsibility for the component unit. Separate financial statements for TIF 2 are not available.

B. Basic Financial Statements

The basic financial statements include both government-wide financial statements (based on the City as a whole) and fund financial statements. The focus is on either the City as a whole or major individual funds (within the fund financial statements). Both the government-wide and fund financial statements categorize activities as either governmental or business-type activities.

The government-wide Statement of Net Position is, (a) presented for the primary government distinguishing between the governmental and business-type activities columns, and (b) reflected on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the respective fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to what is being measured and basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the time of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. Debt service expenditures and expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise fees, sales taxes, hotel occupancy taxes and investment income (including unrealized gains and losses) are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred, all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The ***General Fund*** is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The ***Bond-Funded Capital Projects Fund*** is used to account for the acquisition and construction of various capital facilities and is funded by various sales tax revenue and general obligation bonds.

The ***General Debt Service Fund*** is used to account for the payment of debt supported by ad valorem taxes.

The City reports the following major enterprise fund:

The ***Water/Wastewater Fund*** is used to account for the provision of water and sewer services to residents of the City and certain nonresidents. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

Internal Service Funds are used to account for goods and services provided to City departments such as equipment and information technology services, the purchase of vehicles and equipment, and health self-insurance program.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and wastewater fund and various other funds of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various funds concerned.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Deposits and Investments

Substantially all operating deposits and investments are maintained in pooled deposit and investment accounts. Investment income relating to pooled deposits and investments is allocated to the individual funds primarily based on each fund's pro rata share of the total deposits and investments. For purposes of cash flows, the City considers cash on hand, demand deposits, and investments with original maturities of three months or less to be cash equivalents.

Legal provisions generally permit the City to invest in direct obligations of the Federal government, municipal investment pools and interest-bearing deposit accounts. During the year ended September 30, 2025, the City did not own any types of securities other than those permitted by state law.

2. Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the noncurrent portion of inter-fund loans). All other outstanding balances between funds are reported as due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reports in the government-wide financial statements as "internal balances."

3. Receivables – Property Taxes

All trade and property tax receivables are shown net of an allowance for uncollectible receivables. Trade accounts receivable in excess of 60 days comprise the trade accounts receivable allowance for uncollectible receivables. The net property tax receivable is comprised of the property tax revenues collected within 60 days after year end. The City believes amounts remaining uncollected at sixty days after year-end are generally uncollectible.

The City's property taxes are levied on October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the City. Assessed values are established at 100% of estimated market value. The assessed value, net of exemptions, upon which the fiscal year 2025 levy was based, was approximately $6,693,551,703. Property taxes attach as an enforceable lien on property as of January 1. Taxes are due by January 31 following the October 1 levy date and are considered delinquent after January 31 of each year.

General property taxes are limited by the Texas Constitution to $2.50 per $100 assessed valuation. The City's Home Rule Charter authorizes assessment, levy, and collection of property taxes: a) at a rate not exceeding $1.00 per $100 of assessed valuation for the purpose of paying the general governmental operating costs of the City and b) at a rate sufficient to pay the principal and interest on bonds of the City. The City's combined tax rate for the year ended September 30, 2025 was $0.6627 per $100 of assessed valuation.

4. Lease Receivable – Lessor

The City is a lessor for noncancelable leases of property and equipment. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgements related to leases include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease.

Lease payments included in the measurement of the lease receivable are composed of fixed payments from the lessee, variable payments from the lessee that are fixed in substance or that depend on an index or a rate, residual value guarantee payments from the lessee that are fixed in substance, and any lease incentives that are payable to the lessee.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

5. Inventories
All inventories are valued using the average cost method. Inventories of governmental funds are recorded as expenditures when consumed rather that when purchased.

6. Prepaid Items
Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

7. Restricted Assets
Certain bond proceeds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

8. Capital Assets
Capital assets, which include land, buildings, improvements, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), purchased or acquired, are carried at historical cost, or estimated historical cost if historical cost is not available. Donated capital assets are recorded at acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed. A capitalization threshold of $5,000 is used for all capital assets. Depreciation on capital assets is calculated on the straight-line basis over the following estimated useful lives. Right-to-use assets are amortized over the shorter of the useful life or duration of the lease using the straight-line method.

Buildings	30 - 50 Years
Machinery and equipment	5 - 30 Years
Vehicles	5 - 30 Years
Water and sewer system	50 Years
Improvements other than building	20 Years
Infrastructure	15 - 40 Years

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest accrued during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

9. Compensated Absences
Vacation and sick leave are granted to City employees in varying amounts. The City accrues vacation benefits as they are earned. In the event of termination, an employee is reimbursed for accumulated unused vacation days if the employee has at least six months of service, and the City accrues time that is more likely than not to be used or paid out. The City's policy regarding unused sick leave allows terminated employees with at least five years of service to receive reimbursement of accumulated unused sick leave.

GASB Statement No. 101, *Compensated Absences* (GASB 101), improves the information needs of financial statements users by updating the recognition and measurement guidance for compensated absences under a unified model and amending certain previously required disclosures. The requirements of this statement are effective for reporting periods beginning after December 15, 2023, with earlier application encouraged. GASB 101 was implemented in the City's fiscal year 2025 financial statements with minimal impact.

10. Leases Payable - Lessee
The City is a lessee for noncancelable leases of equipment. The City recognizes a lease liability, reported with long-term debt, and a right-to-use lease asset, reported with other capital assets, in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of $5,000 or more.

At the commencement of a lease, the City measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

Key estimates and judgements related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease.
- Lease payments included in the measurement of the liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, purchase option price that the City is reasonably certain to exercise, lease incentives receivable from the lessor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

11. Subscription-Based Information Technology Arrangements (SBITAs)

The City has noncancellable contracts with SBITA vendors for the right to use information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets). The City recognizes a subscription liability, reported with long-term debt, and a right-to-use subscription asset (an intangible asset), reported with other capital assets, in the government-wide and proprietary fund financial statements. The City recognizes subscription liabilities with an initial, individual value of $5,000 or more.

At the commencement of an SBITA, the City initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of SBITA payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain initial implementation costs. Subsequently, the subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying IT assets.

Key estimates and judgments related to SBITAs include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The subscription term includes the noncancellable period of the SBITA.
- Subscription payments included in the measurement of the subscription liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, termination penalties if the City is reasonably certain to exercise such options, subscription contract incentives receivable from the SBITA vendor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The City monitors changes in circumstances that would require a remeasurement of its SBITAs and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

12. Pensions

For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due.

Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

13. Other Post-Employment Benefits

TMRS Supplemental Death Benefits Fund. The City participates in the Texas Municipal Retirement System Supplemental Death Benefit Fund (TMRS SDBF), which is an optional single employer defined benefit life insurance plan that is administered by TMRS. It provides death benefits to active and, if elected, retired employees of participating employers. For purposes of measuring the total TMRS SDBF OPEB liability, related deferred outflows and inflows of resources, and expense, City specific information about its total TMRS SDBF liability and additions to/deductions from the City's total TMRS SDBF liability have been determined on the same basis as they are reported by TMRS. The TMRS SDBF expense and deferred (inflows)/outflows of resources related to TMRS SDBF, primarily result from changes in the components of the total TMRS SDBF liability. Most changes in the total TMRS SDBF liability will be included in TMRS SDBF expense in the period of the change. For example, changes in the total TMRS SDBF liability resulting from current-period service cost, interest on the TOL, and changes of benefit terms are required to be included in TMRS SDBF expense immediately. Changes in the total TMRS SDBF liability that have not been included in TMRS SDBF expense are required to be reported as deferred outflows of resources or deferred inflows of resources related to TMRS SDBF.

Retiree Health Insurance. For purposes of measuring the total OPEB liability, OPEB related deferred outflows and inflows of resources, and OPEB expense, benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Contributions are not required but are measured as payments by the City for benefits due and payable that are not reimbursed by plan assets. Information regarding the City's total OPEB liability is obtained from a report prepared by a consulting actuary.

14. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The City has the following items that qualify for reporting in this category.

- Deferred charges on refunding – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

- Pension and OPEB contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.

- Pension and OPEB changes in actuarial assumptions and other inputs – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

- Pension and OPEB difference in expected and actual economic experience is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

- Difference in projected and actual earnings on pension assets – This difference is deferred and amortized over a closed five-year period.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has the following types of items that qualify for reporting in this category.

- Pension and OPEB changes in actuarial assumptions and other inputs – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

- OPEB difference in expected and actual economic experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

Unavailable revenue is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available

15. Net Position Flow Assumption
Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. To calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are applied.

It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

16. Fund Balance Flow Assumptions
Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). To calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

17. Fund Balance Policies
Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council has by resolution authorized the City Manager to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

It is the goal of the City that unassigned fund balance of the General Fund should be at least 20% of General Fund annual expenditures. This percentage is the equivalent of 73 days of expenditures. To adhere to the principles of matching current revenues with current expenditures and minimizing property taxes, the City will take action to reduce the fund balance if the unassigned fund balance grows beyond 90 days of expenditures. At September 30, 2025, the General Fund unassigned fund balance equated to 128 days of expenditures.

E. Revenues and Expenditures/Expenses

1. Program Revenues
Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Proprietary Funds Operating And Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with proprietary fund's principal ongoing operations. The principal operating revenues of enterprise funds and internal service funds are charges to customers for sales and services.

Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

F. Budgetary Information

Budget Policy – Prior to September 1, the City Manager submits to the City council a proposed operating budget for the fiscal year commencing October 1. The operating budget includes proposed expenditures and the means of financing them. The proposed budget and all supporting schedules are filed with the City Secretary when submitted to the City Council. Public hearings are conducted to obtain taxpayer comments. Prior to September 30, the budget is adopted by affirmative vote of a majority of the members of the City Council.

Annual operating budgets are prepared on a budgetary basis for the General Fund, Debt Service funds and all special revenue funds except for the Grants Fund, COVID Relief Grants Fund, and Other Special Revenue Funds. Budgetary data for capital projects funds is budgeted over the life of the respective project and not on an annual basis.

Budgetary Data – Budget amounts presented in the required supplementary information reflect the original budget and the amended budget, which has been adjusted for legally authorized revisions to the annual budget during the year. Appropriations, except remaining project appropriations and encumbrances, lapse at the end of each fiscal year.

G. Accounting Pronouncements

The Government Accounting Standards Board (GASB) pronouncements effective in fiscal years 2025 and beyond are listed below:

GASB Statement No. 101, Compensated Absences (GASB 101), improves the information needs of financial statements users by updating the recognition and measurement guidance for compensated absences under a unified model and amending certain previously required disclosures. The requirements of this statement are effective for reporting periods beginning after December 15, 2023, with earlier application encouraged. GASB 101 was implemented in the City's fiscal year 2025 financial statements.

GASB Statement No. 102, Certain Risk Disclosures (GASB 102), improves financial reporting by providing users of financial statements with essential information regarding certain concentrations of constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. The requirements of this statement are effective for reporting periods beginning after June 15, 2025, with earlier application encouraged. GASB 102 was implemented in the City's fiscal year 2025 financial statements with minimal impact.

GASB Statement No. 103, Financial Reporting Model Improvements (GASB 103), improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues. The requirements of this statement are effective for reporting periods beginning after June 15, 2025, with earlier application encouraged. GASB 103 will be implemented in the City's fiscal year 2026 financial statements and the impact has not yet been determined.

GASB Statement No. 104, Disclosure of Certain Capital Assets (GASB 104), establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures. It also establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this statement are effective for reporting periods beginning after June 15, 2025, with earlier application encouraged. GASB 104 will be implemented in the City's fiscal year 2026 financial statements and the impact has not yet been determined.

H. Oil and Gas Royalties

The City receives royalties related to various oil and gas leases for which the City acts as lessor. The royalties are generally payable to the City when production begins at the lease site, and revenue is recognized at the time the royalty is earned and considered measurable and available if received within 60 days of year-end.

Note 2. Cash and Investments

A. Cash Deposits with Financial Institutions

State statutes authorize the City's cash to be deposited in demand deposits, time deposits, or certificates of deposit, and require that all deposits be fully collateralized or insured.

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of failure of a depository financial institution, the City will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The City's policy requires that all deposits with financial institutions must be collateralized to the extent not protected by FDIC insurance.

At September 30, 2025, the carrying amount of the City's deposits was $103,957,509. The bank balances were entirely covered either by Federal Depository Insurance or by collateral held by the City's agent in the City's name.

B. Investments

In accordance with the Texas Public Funds Investment Act (PFIA) and the City's investment policy, the City invests in:

a. Obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks.

b. Direct obligations of the State of Texas or its agencies and instrumentalities.

c. Other obligations, the principal of and interest on which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or by the explicit full faith and credit of the United States.

d. Obligations of states, agencies, counties, cities, and other political subdivisions of the State of Texas rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.

e. Financial institution deposits that, are issued by a state or national bank that a) has its main office or a branch office in Texas and is guaranteed or insured by the FDIC or its successor, b) is secured by obligations in a manner and amount provided by law and this Investment Policy for deposits of the City, or c) is placed in a manner that meets the requirements of the PFIA.

f. Fully collateralized direct repurchase agreements with a defined termination date secured by obligations of the United States or its agencies and instrumentalities. These shall be pledged to the City, held in the City's account, and deposited at the time the investment is made with the City or with a third party selected and approved by the City. Repurchase agreements must be purchased through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in Texas. A Repurchase Agreement must be signed by the counter-party prior to investment in a repurchase agreement. All repurchase agreement transactions must have a fair value of purchased securities greater than or equal to 102 percent of the total balance of the agreement.

g. Money Market Mutual funds that: (1) are registered and regulated by the Securities and Exchange Commission, (2) seek to maintain a net asset value of $1.0000 per share, and (3) are rated AAA by at least one nationally recognized rating service.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles, which provides a framework for measuring fair value by establishing a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs—other than quoted prices included within Level 1—that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

As of September 30, 2025, the City had the following cash and investments:

	September 30,2025	(Level 1)	(Level 2)	(Level 3)	Percent of Total Investment Portfolio	Weighted Average Maturity (Days)*
Cash	$ 60,672,220	$ -	$ -	$ -	N/A	N/A
Investments measured at net asset value/amortized cost per share:						
Investment pools:						
TexPool	410,347	-	-	-	0.4%	41
LOGIC	6,633,242	-	-	-	5.8%	54
Investments by fair value level:						
Certificates of Deposit	51,223,191	51,223,191	-	-	45.1%	376
U.S. Agency Securities	20,135,000	20,135,000	-	-	17.7%	333
U.S. Treasury Notes	35,121,500	35,121,500	-	-	30.9%	264
Total investments	113,523,280	106,479,691	-	-		
Total cash and investments	$ 174,195,500	$ 106,479,691	$ -	$ -		

* Portfolio weighted average maturity (days) = 314

Investment Pools

Investment pools are not categorized as to investment risk since specific securities relating to the City cannot be identified. Under the TexPool Participation Agreement, administrative and investment services to TexPool are provided by Federated Investors, Inc. through an agreement with the State of Texas Comptroller of Public Accountants. The State Comptroller is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company authorized to operate TexPool. TexPool investment pools are measured at amortized cost.

Under the LOGIC Participation Agreement, administrative and investment services to LOGIC are provided by Hilltop Securities, Inc. and JP Morgan Asset Management, Inc. as co-administrators. The administrators settle all trades for LOGIC and secure and value its assets every day. The fair value of the City's position in these pools is the same as the value of the pool shares. LOGIC investment pool is measured at net asset value.

The City's investment pools each have a redemption notice period of one day and may redeem daily. The investment pools' authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national state of emergency that affects the pool's liquidity.

Investment income includes realized and unrealized gains and losses on investments during the fiscal year. The calculation of realized gains and losses is independent of the calculation of the change in fair value of investments. Realized gains and losses of the current year include the cumulative effects of unrealized gains and losses incurred in prior years as a result of changes in fair value. For the fiscal year ended September 30, 2025, net investment income includes $5,813,130 in realized gains resulting from the City's sale and/or redemption of its investments and $48,093 in unrealized gains resulting from non-cash, temporary changes in fair value that are expected to smooth out over the long-term life of the investments.

Credit Risk and Concentration of Credit Risk
Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized rating agency.

The City will minimize credit risk, the risk of loss due to the failure of the issuer or backer of the investment, and concentration risk, the risk of loss attributed to the magnitude of investment in a single issuer, by limiting investments to the safest types of issuers, pre-qualifying the financial institutions and brokers/dealers with which the City will do business, and diversifying the investment portfolio so that potential losses on individual issuers will be minimized, as appropriate.

Local government investment pools in Texas are required to be rated AAA or equivalent by at least one nationally recognized securities rating organization. As of September 30, 2025, the City's investments in investment pools were all rated AAAm by Standard & Poor's.

Interest Rate Risk
The City will manage the risk that the interest earnings and the fair value of investments in the portfolio will fall due to changes in general interest rates. The City will structure the investment portfolio so that investments mature to meet cash requirements for ongoing operations, thereby avoiding the need to liquidate investments prior to maturity; invest funds primarily in certificates of deposit, shorter term securities, financial institution deposits, or money market mutual funds and local government investment pools whose investment objectives include maintaining a stable $1.00 net share value; and diversify maturities and stagger purchase dates to minimize the impact of market movements over time.

Safekeeping and Custodial Agreements
The City shall contract with a bank or banks for the safekeeping of securities either owned by the City as part of its investment portfolio or held as collateral to secure demand or time deposits. Securities owned by the City shall be held in the City's account as evidenced by safekeeping receipts of the institution holding the securities. The City shall approve all third-party custodians for the holding of securities pledged to the City as collateral to secure financial institution deposits.

Collateral Policy
The City has established a collateral policy in compliance with Government Code Chapter 2257, Public Funds Collateral Act. Deposits secured with irrevocable letters of credit shall have 100% of principal plus anticipated interest of the deposit, less any amount insured by the FDIC. Deposits secured with pledged marketable securities shall have a fair value 13 equal to or greater than 102% of the principal plus accrued interest of the deposit, less any amount insured by the FDIC. All deposits shall be insured or collateralized in compliance with applicable State law. The City reserves the right, in its sole discretion, to accept or reject any form of insurance or collateralization pledged towards financial institution deposits. Financial institutions serving as City Depositories will be required to sign a depository agreement with the City. The collateralized deposit portion of the agreement shall define the City's rights to the collateral in case of default, bankruptcy, or closing, and shall establish a perfected security interest in compliance with Federal and State regulations, including: the agreement must be in writing, the agreement has to be executed by the Depository and City contemporaneously with the acquisition of the asset, the agreement must be approved by the Board of Directors or designated committee of the Depository and a copy of the meeting minutes must be delivered to the City, and the agreement must be part of the Depository's "official record" continuously since its execution.

Note 3. Receivables and Deferred Inflows of Resources

Receivables as of September 30, 2025 for the City's individual major funds, and nonmajor funds in the aggregate, including the applicable allowances for uncollectible amounts, are as follows:

	Governmental Funds				
	General	Bond Funded Capital Projects	Debt Service Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
Receivables:					
Taxes	$ 579,132	$ -	$ 232,131	$ 315,561	$ 1,126,824
Accounts	2,201,850	-	-	101,031	2,302,881
Leases	1,774,747	-	-	120,838	1,895,585
Intergovernmental	2,629,244	-	-	2,587,740	5,216,984
Interest	142,371	132,758	34,727	199,471	509,327
Gross receivables	7,327,344	132,758	266,858	3,324,641	11,051,601
Less: allowance for uncollectibles	(452,370)	-	(49,210)	(3,102)	(504,682)
Net total receivables	$ 6,874,974	$ 132,758	$ 217,648	$ 3,321,539	$ 10,546,919
Deferred inflows of resources:					
Mowing liens	$ 39,763	$ -	$ -	$ -	$ 39,763
Hotel occupancy taxes	-	-	-	85,829	85,829
Leases	1,672,311	-	-	109,064	1,781,375
Property taxes	395,969	-	162,173	-	558,142
Fines and fees	189,206		-	-	189,206
Franchise fees	883,307	-	-	-	883,307
Total deferred inflows	$ 3,180,556	$ -	$ 162,173	$ 194,893	$ 3,537,622

	Enterprise Funds			
	Water and Wastewater	Other Non-major	Enterprise Funds Total	Internal Service Funds
Receivables:				
Accounts	$ 2,245,625	$ 449,382	$ 2,695,007	$ 191,096
Unbilled	1,175,275	192,778	1,368,053	-
Leases	1,021,305	-	1,021,305	-
Interest	141,745	14,259	156,004	89,484
Gross receivables	4,583,950	656,419	5,240,369	280,580
Less: allowance for for uncollectibles	(140,319)	(33,376)	(173,695)	-
Net total receivables	$ 4,443,631	$ 623,043	$ 5,066,674	$ 280,580

Leases Receivable

The City has entered into multiple lease agreements as lessor. The leases allow the right-to-use of land, buildings, and infrastructure to other organizations over the term of the lease. The City receives annual and monthly payments at the interest rate stated or implied within the leases. The interest rates for these leases is 3.5%. As of September 30, 2025, the City has $1,774,747 remaining in lease receivables and $1,672,311 remaining in deferred inflows recorded in the General Fund, $120,838 remaining in lease receivables and $109,064 remaining in deferred inflows recorded in the Nonmajor Governmental Funds, and $1,021,305 remaining in lease receivables and $904,492 remaining in deferred inflows recorded in the Water and Wastewater Fund.

As of September 30, 2025, expectation of lease receipts through the expiration of all leases is as follows:

Fiscal Year Ending	Lease Principal	Lease Interest	Totals
2026	$ 56,914	$ 66,155	$ 123,069
2027	63,255	64,157	127,412
2028	70,005	61,936	131,941
2029	78,398	59,464	137,862
2030	86,489	56,700	143,189
2031-2035	534,050	232,873	766,923
2036-2040	740,977	128,484	869,461
2041-2045	265,497	12,041	277,538
Total governmental activities	$ 1,895,585	$ 681,810	$ 2,577,395

Fiscal Year Ending	Lease Principal	Lease Interest	Totals
2026	$ 16,462	$ 35,488	$ 51,950
2027	18,631	34,878	53,509
2028	20,924	34,189	55,113
2029	23,349	33,418	56,767
2030	25,910	32,560	58,470
2031-2035	173,205	146,534	319,739
2036-2040	261,722	108,942	370,664
2041-2045	232,289	60,240	292,529
2046-2050	190,449	28,113	218,562
2051-2055	58,364	1,377	59,741
Total business-type activities	$ 1,021,305	$ 515,739	$ 1,537,044

Note 4. Capital Assets

Capital asset activity for the year ended September 30, 2025 was as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Governmental activities:					
Capital assets not being depreciated or amortized:					
Land	$ 49,706,513	$ 1,693,498	$ (1,444,381)	$ -	$ 49,955,630
Construction in progress	30,359,120	31,332,561	(68,043)	(515,223)	61,108,415
Historical/Artwork collections	45,000	-	-	-	45,000
Total capital assets not being depreciated or amortized	80,110,633	33,026,059	(1,512,424)	(515,223)	111,109,045
Capital assets being depreciated or amortized:					
Buildings and improvements	125,659,680	663,650	-	1,022,291	127,345,621
Infrastructure	208,625,784	2,351,873	-	(1,167,445)	209,810,212
Machinery and equipment	38,488,577	2,824,903	(2,235,291)	660,377	39,738,566
Right-to-use lease assets - equipment	631,520	-	-	-	631,520
Right-to-use subscription assets	2,798,370	6,064,677	-	-	8,863,047
Total capital assets being depreciated or amortized	376,203,931	11,905,103	(2,235,291)	515,223	386,388,966
Less accumulated depreciation/amortization for:					
Buildings	(37,732,150)	(3,812,540)	47,462	-	(41,497,228)
Infrastructure	(92,641,280)	(6,035,728)	214,924	-	(98,462,084)
Machinery and equipment	(26,810,991)	(3,343,310)	926,734	-	(29,227,567)
Right-to-use lease assets - equipment	(307,300)	(23,116)	-	-	(330,416)
Right-to-use subscription assets	(547,408)	(341,940)	-	-	(889,348)
Total accumulated depreciation/amortization	(158,039,129)	(13,556,634)	1,189,120	-	(170,406,643)
Total capital assets being depreciated or amortized, net	218,164,802	(1,651,531)	(1,046,171)	515,223	215,982,323
Governmental activities capital assets, net	$ 298,275,435	$ 31,374,528	$ (2,558,595)	$ -	$ 327,091,368

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Business-type activities:					
Capital assets not being depreciated:					
Land	$ 5,947,603	$ 1,275,000	$ (390,283)	$ -	$ 6,832,320
Construction in progress	20,116,430	8,717,083	(535,974)	(5,342,389)	22,955,150
Total capital assets not being depreciated	26,064,033	9,992,083	(926,257)	(5,342,389)	29,787,470
Capital assets being depreciated:					
Water systems	80,310,797	1,047,884	-	4,927,424	86,286,105
Wastewater systems	68,055,906	1,266,157	-	323,385	69,645,448
Infrastructure	30,524	-	-	-	30,524
Buildings and improvements	8,418,009	-	-	91,580	8,509,589
Machinery and equipment	5,307,358	1,226,567	(214,354)	-	6,319,571
Intangible assets	3,047,865	-	-	-	3,047,865
Total capital assets being depreciated	165,170,459	3,540,608	(214,354)	5,342,389	173,839,102
Less accumulated depreciation for:					
Water systems	(25,743,785)	(1,715,499)	-	-	(27,459,284)
Wastewater systems	(19,642,441)	(1,463,106)	-	-	(21,105,547)
Infrastructure	(30,524)	-	-	-	(30,524)
Buildings and improvements	(4,470,611)	(203,637)	-	-	(4,674,248)
Machinery and equipment	(3,475,250)	(553,100)	211,853	-	(3,816,497)
Intangible assets	(1,788,862)	(56,506)	-	-	(1,845,368)
Total accumulated depreciation	(55,151,473)	(3,991,848)	211,853	-	(58,931,468)
Total capital assets being depreciated, net	110,018,986	(451,240)	(2,501)	5,342,389	114,907,634
Business-type activities capital assets, net	$ 136,083,019	$ 9,540,843	$ (928,758)	$ -	$ 144,695,104

$ -

Because the City maintains an internal service fund solely for the purpose of servicing business-type activities of the City, capital assets in this schedule are not equal to those reported in the statement of net position for proprietary funds. The net value of capital assets in the Proprietary Vehicle Replacement fund is $1,814,479 and is included in the above schedule.

Depreciation and amortization expense was charged to functions/programs as follows:

Governmental activities:		
General government	$	2,362,504
Public safety		1,957,623
Public works, which includes the depreciation of general infrastructure assets		7,124,774
Parks and recreation		2,111,733
Total governmental activities depreciation and amortization		13,556,634
Business-type activities:		
Water and wastewater		3,380,116
Golf course		65,569
Solid waste disposal and collection		207
Cemetery		67,899
Vehicle replacement fund		478,057
Total business-type activities depreciation	$	3,991,848

Note 5. Lease Liabilities

The City has entered into a lease agreement as a lessee. The leases allow the right-to-use assets over the term of the lease. The City is required to make payments at its incremental borrowing rate or the interest rate stated or implied within the leases. The lease rate, term and ending lease liability are as follows:

	Interest Rate	Liability at Commencement	Lease Term in Years	Ending Balance September 30, 2025
Machinery and equipment	3.46%	$ 465,427	2023-2028	$ 213,099
Total governmental activities				$ 213,099

The future principal and interest lease payments as of fiscal year end are as follows:

Fiscal Year Ending	Lease Principal	Lease Interest	Totals
2026	$ 68,631	$ 7,373	$ 76,004
2027	71,006	4,999	76,005
2028	73,462	2,542	76,004
2029	-	-	-
Total governmental activities	$ 213,099	$ 14,914	$ 228,013

The value of the right-to-use leased assets as of the end of the current fiscal year was $631,520 and had accumulated amortization of $330,416.

Note 6. Interfund Balances and Transactions

A. Interfund Receivables/Payables

The composition of interfund balances as of September 30, 2025, is as follows:

Receivable Fund	Payable Fund	Total
General Fund	Nonmajor Enterprise	$ 566,847
Total		$ 566,847

The outstanding balances between funds result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund receivables/payables are recorded between the governmental activities and business type activities in the government wide statement of net position resulting from allocation of interfund charges.

B. Interfund Transfers

Interfund transfers during the year ended September 30, 2025, were as follows:

Transfers Out:	Transfers in:	Amount
General Fund	Nonmajor Gov	$ 1,670,753
Water & Wastewater	General Fund	1,130,052
Nonmajor Gov	Nonmajor Enterprise	717,943
Nonmajor Gov	General Fund	368,031
Nonmajor Gov	Debt Service	7,872,217
Nonmajor Gov	Nonmajor Gov	2,818,816
Nonmajor Enterprise	Water & Wastewater	46,782
Total		$ 14,624,594

Transfers are used to (1) move revenues collected in the special revenue funds to finance various programs in accordance with budgetary authorizations, (2) move receipts restricted for debt service from the funds collecting the receipts to a debt service fund as debt service payments become due, (3) transfer additional funds to the golf course, (4) pay the water and solid waste utilities' payments in lieu of taxes, (5) transfer excess fund balance from internal service funds to the general fund, (6) and transfer fund balance from special revenue funds to capital projects funds for land purchase. In the government-wide financial statements, interfund transfers are eliminated within the governmental activities column and business-type column, as appropriate.

C. Cost Reimbursements

The cost of the City's central general and administrative services is allocated to the designated special revenue and enterprise funds. These costs are reported as interfund services provided and used rather than interfund transactions and are treated as revenues in the General fund and expenses (expenditures) in the other funds. Interfund services provided and used are "arms-length" transactions between departments or funds that would be treated as revenues, expenditures, or expenses if they were with an external organization. The distinguishing aspects of interfund services provided and used are that each department or fund both gives and receives consideration.

Significant cost reimbursements made to the General Fund during the year were as follows:

Fund	Amount
Water and Wastewater	$ 1,313,390
Nonmajor Governmental	1,102,850
Nonmajor Enterprise	342,220
Internal Service Fund	1,014,370
Total	$ 3,772,830

D. Franchise Fees

The City's enterprise funds, which use the public rights-of-way, pay franchise fees to the General Fund as if they were organizations separate from the City. These fees are not taxes but are compensation to the City for the use of the City's streets and public rights-of-way. These payments are reported as interfund services provided and used rather than interfund transactions and are treated as revenue (reported as franchise fees) in the General Fund and expenses in the enterprise funds. Such fees paid during the year were:

Fund	Amount
Water and Wastewater	$ 1,094,835
Solid Waste	323,484
Total	$ 1,418,319

E. Payments in Lieu of Property Taxes

For fiscal year 2025, the Water and Wastewater fund made a $1,130,052 payment in lieu of property taxes to the General Fund.

Note 7. Long Term Debt and Obligations

The City issues general obligation bonds and certificates of obligation for the purpose of providing funds for the acquisition and construction of major capital facilities. General obligation bonds and certificates of obligation are issued for both governmental activities and business-type activities and are direct obligations issued on a pledge of the general taxing power for payment of the debt obligations of the City.

In the current year, the City issued Series 2025 Combination Tax and Limited Surplus Revenue Certificates of Obligation in the amount of $43,210,000 and Series 2025, General Obligation Bonds of $8,055,000. The certificates of obligation carry an interest rates of 5% and the proceeds will be used for (i) acquiring, constructing, renovating, installing and equipping additions, extensions and improvements for the City's waterworks and sewer system; (ii) acquiring, constructing, renovating and equipping public safety improvements for the police and fire departments, including police station and fire station improvements, the acquisition of fire engines and storm sirens, and related infrastructure and equipment; (iii) acquiring, constructing, renovating and equipping municipal park and recreational improvements, including open space, ball fields, and related infrastructure; (iv) acquiring, constructing, improving, and equipping streets, including related sidewalks, landscaping, streetscaping, drainage, utility line relocations, drainage, public mobility infrastructure improvements, including traffic lighting and signalization, parking, and median improvements; (v) acquiring, constructing, renovating, and equipping administrative offices for the City; (vi) acquiring land and interests in land necessary for such projects; and (vii) paying the legal, fiscal, design and engineering fees in connection with such projects and the Certificates.

The bonds carry an interest rates of 5% and the proceeds will be used for (i) designing, constructing, improving, extending, expanding, upgrading and developing streets, roads, bridges, thoroughfares and related improvements in the City, including utility relocation, landscaping, sidewalks and pedestrian walkways, lighting, signalization, drainage, and the purchase of any necessary land or right-of-way; and (ii) paying the costs of issuance of the Bonds.

Water and sewer revenue bonds are issued for the purpose of financing the acquisition and construction of major capital improvements for the water and sewer system and related facilities secured by a pledge of the net revenues of the water and sewer system.

Long-term debt transactions, including current portion, for the year ended September 30, 2025, are summarized as follows:

	Beginning Balance	Increased	Refunded/ Retired	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation bonds	$ 47,900,232	$ 8,055,000	$ 6,865,523	$ 49,089,709	$ 5,759,606
Certificates of obligation	96,100,000	33,775,000	7,850,000	122,025,000	9,665,000
Compensated absences*	8,434,614	627,937	-	9,062,551	4,785,972
Lease liabilities	279,435	-	66,336	213,099	68,631
Financed purchases	1,223,463	-	1,223,463	-	-
Subscription liabilities	752,200	6,163,040	486,019	6,429,221	948,840
Premium on debt	8,089,400	2,246,289	1,099,928	9,235,761	-
Governmental activities long-term debt	$ 162,779,344	$ 50,867,266	$ 17,591,269	$ 196,055,341	$ 21,228,049
Business-type activities:					
General Obligation bonds	$ 11,269,768	$ -	$ 2,994,477	$ 8,275,291	$ 2,190,394
Certificates of obligation	40,945,000	9,435,000	2,090,000	48,290,000	2,485,000
Water & sewer revenue bonds	2,065,000	-	225,000	1,840,000	235,000
Compensated absences*	325,597	75,305	-	400,902	309,856
Premium on debt	2,562,538	553,285	383,383	2,732,440	-
Business-type activities Long-term debt	$ 57,167,903	$ 10,063,590	$ 5,692,860	$ 61,538,633	$ 5,220,250

*Compensated absences are reported as a net change for the year as allowed under the provisions of GASB 101, paragraph 30.

Premium on debt is amortized over the life of the debt using the effective interest method.

The City's direct borrowings (lease liabilities and subscription liabilities) related to governmental activities are secured with equipment as collateral.

The City's outstanding certificates of obligations related to governmental and business-type activities are secured with property tax revenue.

The revenue bonds are collateralized by the revenue of the combined utility system and the various special funds established by the bond ordinances. The ordinances provide that the revenue of the system is to be used, first, to pay operating and maintenance expenses of the system and, second, to establish and maintain the revenue bond funds. Should the City default on these bonds, any registered owner of the certificates is entitled to seek a writ of mandamus from a court of proper jurisdiction requiring specific performance from the City.

Bonds payable at September 30, 2025, is comprised of the following individual issues:

	Interest Rate %	Issue Date	Maturity Date	Original Issue	Amount Outstanding
Governmental Activities:					
General obligation bonds:					
2012 Series	2.00 - 4.00	5/16/2012	5/16/2032	$ 5,040,000	$ 535,000
2015 Series	1.00 - 5.00	4/20/2015	3/1/2035	12,150,000	3,185,000
2016 Series	2.00 - 5.00	6/6/2016	3/1/2036	25,135,000	10,345,000
2017 Series	2.50 - 4.00	7/17/2017	3/1/2037	2,155,000	1,475,000
2020 Series	5.00	8/19/2020	3/1/2030	4,445,000	2,300,000
2022 Series	4.00 - 5.00	9/15/2022	3/1/2042	1,365,000	1,230,000
2023 Series	4.00 - 5.00	9/20/2023	3/1/2043	9,030,000	8,455,000
2024 Series	4.00 - 5.00	8/19/2024	3/1/2044	14,735,232	13,509,709
2025 Series	5.00	9/11/2025	3/1/2045	8,055,000	8,055,000
Total general obligation bonds				82,110,232	49,089,709
Certificates of obligation:					
2013 Tax and Revenue	2.00 - 3.00	5/1/2013	3/1/2033	4,620,000	2,125,000
2015 Tax and Revenue	1.00 - 5.00	4/20/2015	3/1/2035	6,565,000	3,995,000
2016 Tax and Revenue	2.00 - 5.00	6/6/2016	3/1/2036	3,855,000	2,490,000
2017 Tax and Revenue	2.50 - 4.00	7/17/2017	3/1/2037	2,810,000	1,905,000
2018 Tax and Revenue	3.50 - 4.00	5/16/2018	3/1/2038	13,745,000	10,120,000
2019 Tax and Revenue	3.00 - 5.00	5/6/2019	3/1/2039	7,415,000	5,900,000
2020 Tax and Revenue	2.00 - 5.00	8/19/2020	3/1/2040	3,560,000	2,805,000
2022 Tax and Revenue	4.00 - 5.00	9/15/2022	3/1/2042	6,730,000	6,075,000
2023 Tax and Revenue	4.00 - 5.00	9/20/2023	3/1/2043	22,740,000	21,290,000
2024 Tax and Revenue	4.00 - 5.00	8/19/2024	3/1/2044	36,535,000	31,545,000
2025 Tax and Revenue	5.00	9/11/2025	3/1/2045	33,775,000	33,775,000
Total certificates of obligation				142,350,000	122,025,000
Total governmental activities				224,460,232	171,114,709
Business-type Activities					
General obligation bonds:					
2015 Water & Sewer Refunding	1.00 - 5.00	4/20/2015	3/1/2035	10,730,000	1,215,000
2016 Water & Sewer Refunding	2.00 - 5.00	6/6/2016	3/1/2036	4,435,000	875,000
2021 Water & Sewer Refunding	0.96	7/21/2021	3/1/2031	8,345,000	3,380,000
2024 General Obligation Refunding	4.00 - 5.00	8/19/2024	3/1/2044	3,414,768	2,805,291
Total general obligation bonds				26,924,768	8,275,291
Certificates of obligation:					
2013 Tax and Revenue	2.00 - 3.00	5/1/2013	3/1/2033	2,160,000	990,000
2015 Tax and Revenue	1.00 - 5.00	4/20/2015	3/1/2035	4,855,000	2,945,000
2016 Tax and Revenue	2.00 - 5.00	6/6/2016	3/1/2036	5,750,000	3,710,000
2017 Tax and Revenue	2.50 - 4.00	7/17/2017	3/1/2037	7,400,000	5,030,000
2018 Tax and Revenue	3.50 - 4.00	5/16/2018	3/1/2038	8,135,000	5,990,000
2019 Tax and Revenue	3.00 - 5.00	5/6/2019	3/1/2038	4,470,000	3,555,000
2020 Tax and Revenue	2.00 - 5.00	8/19/2020	3/1/2040	4,090,000	3,400,000
2022 Tax and Revenue	4.00 - 5.00	9/15/2022	3/1/2042	5,610,000	5,060,000
2023 Tax and Revenue	4.00 - 5.00	9/20/2023	3/1/2043	8,735,000	8,175,000
2025 Tax and Revenue	5.00	9/11/2025	3/1/2045	9,435,000	9,435,000
Total certificates of obligation				60,640,000	48,290,000
Water and sewer revenue bonds					
2012 Improvement	2.00 - 4.00	4/15/2012	3/1/2032	4,300,000	1,840,000
Total water and sewer revenue bonds				4,300,000	1,840,000
Total business-type activities				$ 91,864,768	$ 58,405,291

The annual requirements to amortize all debt outstanding as of September 30, 2025, are as follows:

	Governmental Activities			
Year Ending September 30,	General Obligation	GO Interest	Certificate of Obligation	CO Interest
2026	$ 5,759,606	$ 2,158,377	$ 9,665,000	$ 5,364,209
2027	5,417,486	1,892,087	5,110,000	5,048,103
2028	5,094,523	1,632,937	5,360,000	4,795,756
2029	2,829,285	1,442,329	5,605,000	4,536,025
2030	2,971,281	1,306,921	5,880,000	4,266,100
2031-2035	12,777,528	4,645,196	32,545,000	16,897,375
2036-2040	7,680,000	2,331,203	32,615,000	9,256,688
2041-2045	6,560,000	631,394	25,245,000	2,416,250
Total	$ 49,089,709	$ 16,040,444	$ 122,025,000	$ 52,580,506

	Business-Type Activities					
Year Ending September 30,	General Obligation	GO Interest	Certificate of Obligation	CO Interest	Water and Wastewater Revenue Bonds	Water and Wastewater Interest
2026	$ 2,190,394	$ 239,622	$ 2,485,000	$ 1,951,415	$ 235,000	$ 68,900
2027	1,717,514	174,346	2,580,000	1,852,997	240,000	59,400
2028	1,020,477	129,935	2,695,000	1,736,763	250,000	49,600
2029	730,715	103,830	2,800,000	1,620,613	260,000	39,400
2030	753,719	84,596	2,925,000	1,503,263	275,000	28,700
2031-2035	1,862,472	147,175	16,275,000	5,585,419	580,000	23,400
2036-2040	-	-	12,525,000	2,501,694	-	-
2041-2045	-	-	6,005,000	576,925	-	-
Total	$ 8,275,291	$ 879,504	$ 48,290,000	$ 17,329,089	$ 1,840,000	$ 269,400

The ordinances authorizing the issuance of Water and Sewer serial bonds created the revenue bond debt service and retirement funds. The gross revenues of the waterworks system, after deduction of reasonable expenses of operation and maintenance, are pledged to such funds in amounts equal to the total annual principal and interest requirements of the bonds and amounts required to maintain the revenue bond and emergency funds. At September 30, 2025, the minimum amount required by the ordinances for the revenue bond debt service and retirement funds had been accumulated.

The revenue bond ordinances also require that the City charge for services sufficient to produce net revenues, as defined, in an amount not less than 1.25 times the average annual principal and interest requirement. At September 30, 2025, this requirement had been met.

The ordinance authorizing the issuance of General Obligation Bonds created the Debt Service Fund. All taxes levied and collected for an on account of said bonds are pledged to the Debt Service Fund in amounts authorized by the City Council, but never less than annual maturing interest and principal requirements with the provision that the principal portion will never be less than 2% of the outstanding principal amount. At September 30, 2025, this requirement had been met.

Compensated absences are typically liquidated by the fund to which they relate.

Subscription Based Information Technology Arrangements (SBITA)

The City has entered into multiple SBITAs that allow the right-to-use the SBITA vendor's information technology software over the subscription term. The City is required to make annual payments at its incremental borrowing rate or the interest rate stated or implied within the SBITAs. The SBITA rate, term and ending subscription liability are as follows:

	Interest Rate	Liability at Commencement	Lease Term in Years	Ending Balance September 30, 2025
Software	3.4-5.1%	$ 8,112,170	2023-2035	$ 6,429,221
Total governmental activities				$ 6,429,221

The future principal and interest SBITA payments as of fiscal year end are as follows:

Fiscal Year Ending	Principal	Interest	Totals
2026	$ 948,840	$ 15,076	$ 963,916
2027	435,753	227,299	663,052
2028	397,138	209,352	606,490
2029	413,619	192,871	606,490
2030	430,786	175,706	606,492
2031-2035	3,803,085	486,310	4,289,395
Total governmental activities	$ 6,429,221	$ 1,306,614	$ 7,735,835

The value of the subscription assets as of the end of the current fiscal year was $8,863,047 and had accumulated amortization of $889,348.

Financed Purchases

In a prior year, the City has entered into an agreement for the financed purchase of equipment, with the agreement having a maximum allowable amount equal to the principal due as scheduled. During year ended September 30, 2025, this agreement was moved to subscription-based IT arrangement.

Note 8. Water and Sewer Contract

On July 19, 2010, the City entered into a contract with the City of Fort Worth, Texas, for the purchase of treated water to be effective January 1, 2011, and to expire on September 30, 2031. This contract requires the City to pay varying amounts based on annual consumption rates established under the terms of the contract. During fiscal year 2025, the City purchased $4,451,381 of treated water under the terms of this contract.

In 1987, the City entered a contract with the City of Fort Worth, Texas, for the transportation, treatment, and disposal of sanitary sewage. Under the terms of the contract, the City is required to make payments for sewage actually discharged based on rates and charges determined on an annual basis under the terms of the contract. During fiscal year 2025, the City paid $6,183,230 for the treatment and disposal of sanitary sewage under the terms of this contract.

Note 9. Employees' Retirement System

Texas Municipal Retirement System

Plan Description. The City participates as one of 938 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report (Annual Report) that can be obtained at *tmrs.com*.

All eligible employees of the City are required to participate in TMRS.

Benefits Provided. TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the Member's benefit is calculated based on the sum of the Member's contributions, with interest, and the city-financed monetary credits with interest. The retiring Member may select one of seven monthly benefit payment options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24 or 36 monthly payments, which cannot exceed 75% of the total Member contributions and interest.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS and within the actuarial constraints also in the statutes. Plan provisions for the City are as follows:

Employee deposit rate	7%
Matching ratio (city to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	20 years to any age, 5 years at age 60 and above
Updated service credit	100% Repeating, Transfers
Annuity increase to retirees	70% of CPI Repeating

Employees Covered by Benefit Terms. At the December 31, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	236
Inactive employees entitled to but not yet receiving benefits	249
Active employees	407
Total	892

Contributions. Member contribution rates in TMRS are either 5%, 6% or 7% of the Member's total compensation, and the City matching percentages are either 100%, 150% or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each City is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The City's contribution rate is based on the liabilities created from the benefit plan options selected by the City and any changes in benefits or actual experience over time.

Employees for the City were required to contribute 7% of their annual compensation during the fiscal year. The contribution rates for the City were 17.67% and 17.79% in calendar years 2024 and 2025, respectively. The City's contributions to TMRS for the year ended September 30, 2025, were $6,663,887, and were equal to the required contributions.

Net Pension Liability. The City's Net Pension Liability (NPL) was measured as of December 31, 2024, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Within the governmental activities, the General Fund generally liquidates the net pension liability. In the business-type activities, the net pension liability is liquidated by the Utility Fund.

Actuarial Assumptions. The Total Pension Liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year, adjusted down for population declines, if any
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with 110% of the Public Safety table used for males and 100% of the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by the most recent Scale MP- 2021 to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2018 to December 31, 2022. The assumptions were adopted in 2023 and first used in the December 31, 2023, actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined by best estimate ranges of expected returns for each major asset class. The long-term expected rate of return is determined by weighting the expected return for each major asset class by the respective target asset allocation percentage. The target allocation and best estimates of the expected return for each major asset class in fiscal year 2025 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate if Return (Arithmetic)
Global Public Equity	35.0%	7.10%
Core Fixed Income	6.0%	5.00%
Non-Core Fixed Income	6.0%	6.80%
Hedge Funds	5.0%	6.40%
Private Equity	13.0%	8.50%
Private Debt	13.0%	8.20%
Real Estate	12.0%	6.70%
Infrastructure	6.0%	6.00%
Other Public and Private Markets	4.0%	7.30%
Total	100.00%	

Discount Rate. The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that Member and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive Members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2023	$ 157,335,053	$ 128,488,366	$ 28,846,687
Changes for the year:			
Service cost	6,996,934	-	6,996,934
Interest	10,638,169	-	10,638,169
Difference between expected and actual experience	920,206	-	920,206
Changes of assumptions	-	-	-
Contributions - employer	-	6,442,798	(6,442,798)
Contributions - employee	-	2,585,984	(2,585,984)
Net investment income	-	13,375,404	(13,375,404)
Benefit payments, including refunds of employee contributions	(6,462,047)	(6,462,047)	-
Administrative expense	-	(85,622)	85,622
Other changes	-	(2,003)	2,003
Net changes	12,093,262	15,854,514	(3,761,252)
Balance at 12/31/2024	$ 169,428,315	$ 144,342,880	$ 25,085,435

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the Net Pension Liability of the City, calculated using the discount rate of 6.75%, as well as what the City's Net Pension Liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability	$ 51,150,357	$ 25,085,435	$ 3,950,262

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's Fiduciary Net Position is available in the Schedule of Changes in Fiduciary Net Position, by Participating City. That report may be obtained at trms.com.

Pension Expense and Deferred Outflows and Inflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended September 30, 2025, the City recognized pension expense of $8,173,713. At September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 3,361,369	$ -
Changes in actuarial assumptions	-	442,505
Difference between projected and actual Investment earnings	-	1,656,831
Contributions subsequent to the measurement date	4,883,668	-
Total	$ 8,245,037	$ 2,099,336

$4,883,668 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability for the year ending September 30, 2026. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30,	Amount
2026	$ 1,493,004
2027	2,238,131
2028	(1,681,981)
2029	(787,121)

Note 10. Other Post-Employment Benefit Plans

A. TMRS Supplemental Death Benefits Fund

Plan Description. The City participates in a single employer, defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF) administered by the Texas Municipal Retirement System (TMRS). The SDBF covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB No. 75 (i.e., no assets are accumulated for OPEB) and as such the SDBF is considered to be an unfunded OPEB plan.

The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The city may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The city contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

Benefits Provided. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an other postemployment benefit (OPEB) and is a fixed amount of $7,500.

Employees Covered by Benefit Terms. At the December 31, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	176
Inactive employees entitled to but not yet receiving benefits	65
Active employees	407
Total	648

Total OPEB Liability. The City's total OPEB liability of $915,579 was measured as of December 31, 2024, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total OPEB liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Inflation rate	2.50% per annum
Discount rate	4.08%
Actuarial cost method	Entry Age Normal Method
Projected salary increase	3.60% to 11.85% including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct 2019 Municipal Retirees of Texas mortality tables and due to the size of the City, rates are multiplied by an additional factor of 100%. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor. Mortality rates for pre-retirement were based on the PUB(10) mortality tables, with the Public Safety table used for males and General Employee table used for females. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements.

Discount Rate. The discount rate to measure the total OPEB liability was 4.08%. The discount rate was based on Fidelity Index's "20-Year Municipal GO AA Index" rate as of the measurement date.

Discount Rate Sensitivity Analysis. The following presents the total OPEB liability of the City, calculated using the discount rate of 4.08%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1- percentage-point lower (3.08%) or 1-percentage-point higher (5.08%) than the current rate:

	1% Decrease in Discount Rate (3.08%)	Discount Rate (4.08%)	1% Increase in Discount Rate (5.08%)
Total OPEB Liability	$ 1,109,971	$ 915,579	$ 765,770

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended September 30, 2025, the City recognized OPEB expense of $47,442. There were no changes of benefit terms that affected measurement of the Total OPEB Liability during the measurement period.

Within the governmental activities, the General Fund generally liquidates the total OPEB liability. In the business-type activities, the total OPEB liability is liquidated by the Utility Fund.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 12/31/2023	$ 927,889
Changes for the year:	
Service cost	48,025
Interest	35,469
Difference between expected and actual experience	(18,861)
Changes of assumptions	(54,777)
Benefit payments	(22,166)
Net changes	(12,310)
Balance at 12/31/2024	$ 915,579

At September 30, 2025, the City reported deferred outflows and inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ -	$ 29,318
Changes in actuarial assumptions	103,399	305,956
Contributions subsequent to the measurement date	16,649	-
Total	$ 120,048	$ 335,274

$16,649 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Total OPEB Liability for the year ending September 30, 2026. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Year Ended September 30,	Amount
2026	$ (39,734)
2027	(59,236)
2028	(76,503)
2029	(41,710)
2030	(8,721)
Thereafter	(5,971)

B. Post-Retirement Healthcare Benefits

Plan Description. The City offers its retired employees health insurance benefits through a single employer defined benefit OPEB plan, under City policy. This plan is administered by the City and it has the authority to establish and amend the benefit terms and financing arrangements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided. To be eligible for this employer-provided subsidy, a participant must be at least age fifty-eight (58) and have at least twenty (20) or more years of service with the City. Eligible retirees may elect coverage that will include the same healthcare options offered to regular full-time employees at the same cost that the City pays for active employees. Retirees pay the same rate for coverage as employees pay if they are electing dependent coverage. Benefits commence at the first of the month following the day of retirement if the employee elects retiree or dependent coverage (at retiree's cost).

If an active employee passes away, the spouse and dependents will become eligible for retiree coverage if (1) the employee was eligible for retirement as defined by TMRS; and (2) the employee had dependent coverage at the time of death. The surviving spouse will continue to receive the benefits of the retiree health insurance program, at the rate charged for retiree only. If dependent children are already on the plan at the time of the retiree's death, the spouse may continue to cover the children (at retiree's spouse's cost).

Retirees are eligible for medical and prescription insurance until they become Medicare eligible. Since retirees pay the full premium for all other OPEB benefits (dental and vision), no liability is included in this valuation as no implicit subsidy exists for these benefits.

The number of employees currently covered by the benefit terms is as follows:

Inactive employees or beneficiaries currently receiving benefits	9
Active employees	399
Total	408

Actuarial Assumptions. The Total OPEB Liability in the October 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate	2.50% per annum
Salary increases	2.50% per annum
Discount rate	4.90%
Actuarial cost method	Entry Age Normal Method
Healthcare cost trend rates	5.92% initial medical trend rate for pre-65 retirees decreasing to an ultimate rate of 4.14% in the year 2041

Mortality rates were updated and are based upon the sex distinct PUB 2010 general employee mortality table with mortality improvement scale MP-2021. Per capita costs for Pre-65 retirees were derived based upon the fully insured rates on a retiree-only experience basis. Medicare eligible retirees are assumed to rescind the City's plan and take Medicare coverage. Any Medicare Part D subsidy was not reflected in the estimate. The participation rate for future retirees is based upon years of service at retirement. Any participant that retires prior to age 50 is assumed to waive the City's healthcare plan. For any future retiree assumed to elect retiree healthcare, their spouse is assumed to waive coverage. 40% of retirees are assumed to drop coverage at the time the employer subsidy ends. The per capita claims costs include a 7% load for administrative expenses and a 10% load for stop loss premiums where both are assumed to escalate with the healthcare trend rates each year.

Discount Rate. The discount rate of 4.90% is based upon the yield of 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The other financial assumptions for long-term inflation, payroll growth, and salary scale were taken from the TMRS actuary study. The per capita claims costs and how these costs are expected to escalate in the future were set by IPS Advisors who develop the funding rates.

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Total OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (4.06%) in measuring the Total OPEB Liability.

	1% Decrease in Discount Rate (3.90%)	Discount Rate (4.90%)	1% Increase in Discount Rate (5.90%)
Total OPEB Liability	$ 4,869,323	$ 4,474,431	$ 4,115,515

Healthcare Cost Trend Rate Sensitivity Analysis. The following schedule shows the impact of the Total OPEB Liability if the healthcare cost trend rate used was 1% less than and 1% greater than the rate that was used in measuring the Total OPEB Liability.

	1% Decrease in Rate	Healthcare Cost Trend Rate	1% Increase in Rate
Total OPEB Liability	$ 3,976,388	$ 4,474,431	$ 5,065,520

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources Related to OPEBs. At September 30, 2025, the City reported a liability of $4,474,431 for its Total OPEB Liability for this plan. The Total OPEB Liability was determined by an actuarial valuation as of October 1, 2024. For the year ended September 30, 2025, the City recognized OPEB expense of $115,608. There were no changes of benefit terms that affected measurement of the Total OPEB Liability during the measurement period.

Within the governmental activities, the General Fund generally liquidates the total OPEB liability. In the business-type activities, the total OPEB liability is liquidated by the Utility Fund.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 9/30/2024	$ 4,541,981
Changes for the year:	
Service cost	194,070
Interest	227,579
Difference between expected and actual experience	-
Changes of assumptions	(306,041)
Benefit payments	(183,158)
Net changes	(67,550)
Balance at 9/30/2025	$ 4,474,431

At September 30, 2025, the City reported deferred outflows and inflows of resources related to this OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 56,678	$ 672,530
Changes in actuarial assumptions	77,388	392,029
Total	$ 134,066	$ 1,064,559

Amounts reported as deferred outflows and inflows of resources related to this OPEB plan will be recognized in OPEB expense as follows:

For the Year Ended September 30,	Amount
2026	$ (139,002)
2027	(216,389)
2028	(201,742)
2029	(195,167)
2030	(134,472)
Thereafter	(43,721)

Note 11. Deferred Compensation Plan

The City participates in a deferred compensation plan which falls under Internal Revenue Code Section 457. Virtually all employees are eligible to participate in the plan. The deferred compensation plan allows the deferral of individual federal income taxes until funds are withdrawn. Funds may be withdrawn at termination, retirement, death or unforeseeable emergency. During the fiscal year 2025, employers or employees through salary reductions may contribute up to the limit of $23,500 compensation on behalf of the participant under this plan. Employees age 50 or older may contribute up to an additional $7,500, for a total of $31,000. Employees may take advantage of the special 457(b) catch-up deferrals by selecting a special "last 3-year catch-up," which allows the participant to defer enhanced limits in the three years before they reach the plan's normal retirement age. For employees within three years of normal retirement age, contributions can reach up to $47,000, depending on unused deferrals from past years. If a governmental 457(b) allows both the age-50 catch-up and the 3-year catch-up, the participant can use the one that allows a larger deferral but not both. In accordance with GASB 97, the plan is not recorded in the City's financial statements.

Note 12. Commitments and Contingencies

A. Contingencies

The City is a defendant in certain pending litigation. In the opinion of management, the potential claims against the City not covered by insurance would not materially affect the financial statements of the City.

The City has participated in a number of state and federally assisted grant programs. These programs were subject to financial and compliance audits by the grantors or their representatives, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

B. Construction Commitments

The City has active construction projects as of September 30, 2025. At year-end the City has $19,528,997 of outstanding construction commitments.

C. Encumbrances

Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year-end, the encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

Fund	Amount
General	$ 837,669
Bond-Funded capital projects	41,245,750
Nonmajor governmental	1,214,173
Water & wastewater	563,483
Nonmajor enterprise	27,919
Internal service funds	1,371,582
Total	$ 45,260,576

Note 13. Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City has purchased commercial insurance to cover these general liabilities from the Texas Municipal League, a non-public entity risk pool. As an insured, the City is not obligated to reimburse the pool for losses. The TML risk pool is self-sustaining through annual member premiums and stop loss reinsurance coverage through various commercial insurers for excess claims. There were no significant reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage in each of the past three fiscal years. Any losses reported, but unsettled or incurred and not reported, are believed to be insignificant to the City's financial statements.

The City offers health coverage to its employees and retirees in a managed care plan administered by United Health Care and funded by the City with both employee and City contributions. The City retains risk for up to $125,000 per covered enrollee per year and up to 120% of the total expected medical and Rx claims per period benefit, and transfers risk in excess of these amounts to a reinsurer. The City's operating funds are charged with premiums for coverage provided by the City's benefit consultant, HUB International. The City's benefit consultant determines the premium structures by working closely with the City of Burleson Human Resources department and the City Manager's Office on approved annual budgets with adjustments based on estimates of the amounts needed to pay prior and current year claims. These interfund premiums are used to reduce the amount of actual expenditures.

Note 14. Tax Abatements

The City enters into economic development agreements subject to the Burleson Economic Development Incentives Program adopted in 1993. Abatement incentives are provided in accordance with Chapter 312 of the Texas Tax Code.

- For the fiscal year ended September 30, 2025, the property tax abatement agreement with Yukon provides a 50% tax abatement for 5 years, beginning in 2022 for development of a cold storage facility. In fiscal year 2025, this agreement resulted in abated property taxes of $255,000.
- For the fiscal year ended September 30, 2025, The property tax abatement agreement with McLane Burleson Properties provides a 80% tax abatement for 10 years, beginning in 2020 for the development of a restaurant distribution facility. In fiscal year 2025, this agreement resulted in abated property taxes of $275,333.
- For the fiscal year ended September 30, 2025, The property tax abatement agreement with Golden State Foods provides a 75% tax abatement for 7 years, beginning in 2020 for development of a restaurant distribution facility. In fiscal year 2025, this agreement resulted in abated property taxes of $337,928.

Other incentives are provided according to Chapter 380 of the Texas Local Government Code. These consist of incentives tied to a percentage of property taxes paid, a percentage of sales taxes generated, or some other metric such as employment. The agreements are presented here in aggregate.

- Property tax rebate incentives – $744,932.
- Sales tax rebate incentives – $87,956.
- Grant payments for meeting other performance targets – $1,485,055.

Note 15. Changes to or Within the Financial Reporting Entity

The City's General Debt Service fund met the quantitative threshold for reporting as a major fund for the year ended September 30, 2025. The effect of this change is displayed on the financial statements.

Required Supplementary Information

City of Burleson, Texas

General Fund
Budgetary Comparison Schedule
For the Year Ended September 30, 2025

Exhibit D-1
(Page 1 of 2)

	Budgeted Amounts		Actual Amounts	Variance - Positive
	Original	Final	GAAP Basis	(Negative)
REVENUES				
Property taxes	$ 30,111,223	$ 30,111,223	$ 30,391,302	$ 280,079
Sales taxes	15,503,578	15,503,578	15,745,474	241,896
Franchise fees	4,254,115	4,254,115	4,239,804	(14,311)
Licenses and permits	1,470,168	1,470,168	1,244,156	(226,012)
Intergovernmental	2,069,436	2,069,436	2,089,690	20,254
Charges for services	5,929,241	5,929,241	5,925,163	(4,078)
Fines and forfeitures	850,000	850,000	537,877	(312,123)
Investment income	640,000	640,000	1,117,716	477,716
Miscellaneous	1,991,705	1,991,705	1,853,887	(137,818)
Total revenues	62,819,466	62,819,466	63,145,069	325,603
EXPENDITURES				
General government:				
City Council	92,394	89,749	70,800	18,949
City Manager's office	1,357,479	1,357,529	1,436,954	(79,425)
Legal	848,920	965,673	800,247	165,426
Communications	643,436	638,436	596,026	42,410
City Secretary's office	904,534	907,179	854,798	52,381
Records management	130,494	130,494	154,964	(24,470)
Judicial	137,369	137,369	133,948	3,421
Human resources	1,338,294	1,338,294	1,257,661	80,633
Finance	1,694,932	1,702,008	1,573,749	128,259
Purchasing	322,931	337,674	292,467	45,207
Non-Departmental	647,303	681,853	1,430,127	(748,274)
Total general government	8,118,086	8,286,258	8,601,741	(315,483)
Public safety:				
Police	19,520,439	19,520,439	19,080,087	440,352
Fire	11,565,440	11,546,036	11,502,281	43,755
Public Safety Communications	3,069,572	3,069,572	2,777,801	291,771
Medical transport	2,604,333	2,604,333	1,808,591	795,742
Municipal court	567,280	567,280	514,891	52,389
Marshals service	-	-	3,410	(3,410)
Total public safety	37,327,064	37,307,660	35,687,061	1,620,599
Public works:				
Public works administration	986,813	988,813	965,579	23,234
Street drainage maintenance	613,009	621,572	575,124	46,448
Streets pavement maintenance	3,421,069	3,415,161	3,311,808	103,353
Traffic control maintenance	1,316,607	1,825,518	1,264,057	561,461
Engineering/capital	1,325,753	1,467,797	419,264	1,048,533
Engineering/development	797,380	955,534	712,227	243,307
Engineering/inspections	605,476	605,476	287,233	318,243
Facilities maintenance	953,348	1,160,818	1,107,848	52,970
Total public works	$ 10,019,455	$ 11,040,689	$ 8,643,140	$ 2,397,549

The Notes to the Required Supplementary Information are an integral part of this schedule.

	Budgeted Amounts		Actual Amounts	Variance - Positive
	Original	Final	GAAP Basis	(Negative)
Community development:				
Neighborhood services	-	-	1,014	(1,014)
Environmental services	149,848	154,848	157,469	(2,621)
Animal services	803,528	814,528	753,851	60,677
Code enforcement	798,381	798,381	800,167	(1,786)
Building inspections	895,477	895,477	869,786	25,691
Economic development	1,009,440	1,009,440	891,116	118,324
Community development	767,650	767,650	751,017	16,633
Development services	15,340	15,340	16,577	(1,237)
Total community development	4,439,664	4,455,664	4,240,997	214,667
Parks and recreation:				
Parks	1,666,498	1,695,687	1,803,042	(107,355)
Parks and recreation administration	-	-	1,034	(1,034)
ROW Maintenance	610,413	610,413	572,296	38,117
Total parks and recreation	2,276,911	2,306,100	2,376,372	(70,272)
Library:				
Senior citizens center	226,726	228,226	239,424	(11,198)
Library	1,485,517	1,487,067	1,435,727	51,340
Total Library	1,712,243	1,715,293	1,675,151	40,142
Capital Outlay	257,000	412,571	350,020	62,551
Debt service:				
Principal retirement	64,118	64,118	66,336	(2,218)
Interest and fiscal agent charges	11,887	11,887	9,668	2,219
Total debt service	76,005	76,005	76,004	1
Total expenditures	64,226,428	65,600,240	61,650,486	3,949,754
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,406,962)	(2,780,774)	1,494,583	4,275,357
OTHER FINANCING SOURCES (USES)				
Issuance of subscription-based IT arrangement	-	-	26,420	26,420
Transfers in	3,838,097	3,838,097	1,498,083	(2,340,014)
Transfers out	(1,645,833)	(1,645,833)	(1,670,753)	(24,920)
Total other financing sources (uses)	2,192,264	2,192,264	(146,250)	(2,338,514)
NET CHANGE IN FUND BALANCE	785,302	(588,510)	1,348,333	1,936,843
FUND BALANCES - BEGINNING	20,358,733	20,358,733	20,358,733	-
FUND BALANCES - ENDING	21,144,035	19,770,223	21,707,066	1,936,843

The Notes to the Required Supplementary Information are an integral part of this schedule.

City of Burleson, Texas

Exhibit D-2

General Debt Service Fund
Budgetary Comparison Schedule
For the Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Property taxes	$ 10,322,724	$ 10,322,724	$ 10,496,962	$ 174,238
Investment income	150,000	150,000	312,306	162,306
Total revenues	10,472,724	10,472,724	10,809,268	336,544
EXPENDITURES				
Debt service:				
Principal retirement	14,755,286	14,755,286	14,715,523	39,763
Interest and fiscal agent charges	6,016,880	6,016,880	5,977,176	39,704
Total expenditures	20,772,166	20,772,166	20,692,699	79,467
Excess (deficiency) of revenues over (under) expenditures	(10,299,442)	(10,299,442)	(9,883,431)	416,011
OTHER FINANCING SOURCES				
Transfers in	7,854,415	7,854,415	7,872,217	17,802
Total other financing sources	7,854,415	7,854,415	7,872,217	17,802
NET CHANGE IN FUND BALANCE	(2,445,027)	(2,445,027)	(2,011,214)	433,813
FUND BALANCE, BEGINNING	6,851,142	6,851,142	6,851,142	-
FUND BALANCE, ENDING	$ 4,406,115	$ 4,406,115	$ 4,839,928	$ 433,813

The Notes to the Required Supplementary Information are an integral part of this schedule.

City of Burleson, Texas

Notes to Required Supplementary Information
Budgetary Schedule
For the Year Ended September 30, 2025

BUDGETARY INFORMATION - The City follows these procedures annually in establishing the budgetary data reflected in the budgetary comparison schedules:

1. The City Manager submits to the City Council a proposed budget for the fiscal year commencing the following October 1st. The budget includes proposed expenditures and the means of financing them.

2. The City Council reviews the proposed budget at specially scheduled sessions, which are open to the public. The Council also conducts a public hearing on the proposed budget to obtain comments from interested persons.

3. Prior to October 1st, the budget is legally adopted through passage of an ordinance. This budget is reported as the Original Budget in the budgetary comparison schedules.

4. During the fiscal year, changes to the adopted budget may be authorized as follows:

    a. Items requiring City Council action – appropriation of fund balance commitments; transfers of appropriations between funds; transfers between departments within funds; new interfund loans or advances; and creation of new capital projects or increases to existing capital projects.
    b. Items delegated to the City Manager – transfers within departments.

5. Annual budget is legally adopted and amended as required for the General Fund, the following special revenue funds: the BCSDC Special Revenue Fund, the 4A Corp Special Revenue Fund, the Parks Performance Fund, the Hotel/Motel Fund, the TIF 2 Fund, and the Municipal Court Fund. Project-length budgets are adopted for the capital project funds. All budgets are prepared on a budgetary basis, and budgetary comparisons for the general and major special revenue funds are presented on this basis in the required supplementary information. A debt service payment schedule for the debt service funds is also approved as part of the budget process. The budget is based on the modified accrual basis of accounting with the exception of certain non-cash expenditure accruals, which are not budgeted.

6. Budget amounts are reflected after all authorized amendments and revisions. This budget is reported as the Final Budget in the budgetary comparison schedules.

7. For each legally adopted operating budget, expenditures should not exceed budgeted appropriations at the fund level. Encumbrance accounting, under which purchase orders, contracts, and the other commitments are recorded to reserve the applicable appropriations, is employed in governmental funds. The City does, however, honor the contracts represented by year-end encumbrances and the subsequent year’s appropriations provide authority to complete these transactions.

City of Burleson, Texas

Schedule of Changes in Net Pension Liability and Related Ratios - Texas Municipal Retirement System

For the Year Ended September 30, 2025

Plan Year	2015	2016	2017
A. Total Pension Liability			
Service Cost	$ 3,299,052	$ 3,628,862	$ 3,745,062
Interest (on the Total Pension Liability)	5,311,694	5,536,081	5,991,443
Difference between expected and actual experience	96,222	324,293	34,315
Change of assumptions	(200,754)	-	-
Benefit payments, including refunds of employee contributions	(2,164,637)	(2,908,249)	(2,694,216)
Net change in total pension liability	6,341,577	6,580,987	7,076,604
Total pension liability - beginning	75,314,138	81,655,715	88,236,702
Total pension liability - ending (a)	81,655,715	88,236,702	95,313,306
B. Plan Fiduciary Net Position			
Contributions - employer	$ 2,973,435	$ 3,195,301	$ 3,326,528
Contributions - employee	1,364,856	1,459,887	1,510,106
Net investment income	89,281	4,240,199	9,518,399
Benefit payments, including refunds of employee contributions	(2,164,637)	(2,908,249)	(2,694,216)
Administrative expenses	(54,372)	(47,857)	(49,301)
Other	(2,684)	(2,578)	(2,499)
Net change in plan fiduciary net position	2,205,879	5,936,703	11,609,017
Plan fiduciary net position - beginning	60,496,005	62,701,884	68,638,587
Plan fiduciary net position - ending (b)	62,701,884	68,638,587	80,247,604
C. Net Pension Liability - Ending (a) - (b)	$ 18,953,831	$ 19,598,115	$ 15,065,702
D. Plan Fiduciary Net Position as a Percentage of Total Pension Liability	76.79%	77.79%	84.19%
E. Covered Payroll	$ 19,497,945	$ 20,855,530	$ 21,572,943
F. Net Pension Liability as a Percentage of Covered Payroll	97.21%	93.97%	69.84%

Exhibit D-3

2018	2019	2020	2021	2022	2023	2024
$ 3,887,921	$ 4,309,779	$ 4,785,763	$ 5,012,736	$ 5,695,227	$ 6,517,109	$ 6,996,934
6,464,469	6,966,885	7,567,698	8,224,864	9,002,871	9,852,041	10,638,169
37,485	658,640	1,555,110	2,834,678	2,790,245	1,786,872	920,206
-	364,920	-	-	-	(767,877)	-
(2,974,711)	(3,340,504)	(3,934,066)	(4,638,440)	(5,136,560)	(5,501,408)	(6,462,047)
7,415,164	8,959,720	9,974,505	11,433,838	12,351,783	11,886,737	12,093,262
95,313,306	102,728,470	111,688,190	121,662,695	133,096,533	145,448,316	157,335,053
102,728,470	111,688,190	121,662,695	133,096,533	145,448,316	157,335,053	169,428,315
$ 3,446,107	$ 3,812,900	$ 4,144,156	$ 4,434,554	$ 5,225,616	$ 6,224,928	$ 6,442,798
1,565,006	1,732,309	1,875,187	1,936,487	2,197,717	2,494,246	2,585,984
(2,405,770)	12,355,867	7,166,812	13,511,620	(8,677,016)	13,025,384	13,375,404
(2,974,711)	(3,340,504)	(3,934,066)	(4,638,440)	(5,136,560)	(5,501,408)	(6,462,047)
(46,457)	(69,735)	(46,326)	(62,444)	(74,981)	(82,709)	(85,622)
(2,430)	(2,096)	(1,807)	428	89,476	(578)	(2,003)
(418,255)	14,488,741	9,203,956	15,182,205	(6,375,748)	16,159,863	15,854,514
80,247,604	79,829,349	94,318,090	103,522,046	118,704,251	112,328,503	128,488,366
79,829,349	94,318,090	103,522,046	118,704,251	112,328,503	128,488,366	144,342,880
$ 22,899,121	$ 17,370,100	$ 18,140,649	$ 14,392,282	$ 33,119,813	$ 28,846,687	$ 25,085,435
77.71%	84.45%	85.09%	89.19%	77.23%	81.67%	85.19%
$ 22,357,225	$ 24,697,874	$ 26,780,992	$ 27,664,104	$ 31,395,959	$ 35,632,091	$ 36,942,630
102.42%	70.33%	67.74%	52.03%	105.49%	80.96%	67.90%

City of Burleson, Texas
Schedule of Pension Contributions
Texas Municipal Retirement System
For The Year Ended September 30, 2025

Fiscal Year	2016	2017	2018
Actuarial determined contribution	$ 3,290,623	$ 3,270,142	$ 3,413,058
Contributions in relation to the actuarially determined contribution	3,290,623	3,270,142	3,413,058
Contribution deficiency (excess)	-	-	-
Covered payroll	$ 21,503,209	$ 21,235,212	$ 21,235,212
Contributions as a percentage of covered payroll	15.30%	15.40%	16.07%

Notes to Schedule:

Valuation Date	Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	21 years (longest amortization ladder)
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.60% to 11.85% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2023 valuation pursuant to an experience study of the period ending 2022.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.
Other Information	There were no benefit changes during the year.

2019	2020	2021	2022	2023	2024	2025
$ 3,710,515	$ 4,023,849	$ 4,144,156	$ 4,434,554	$ 5,225,616	$ 6,224,926	$ 6,442,798
3,710,515	4,023,849	4,144,156	4,434,554	5,225,616	6,224,926	6,442,798
-	-	-	-	-	-	-
$ 24,033,514	$ 26,033,943	$ 26,780,992	$ 27,664,104	$ 34,804,970	$ 36,619,030	$ 36,942,630
15.44%	15.46%	15.47%	16.03%	15.01%	17.00%	17.44%

City of Burleson, Texas

Exhibit D-5

Schedule of Changes In Total OPEB Liability and Related Ratios - Texas Municipal Retirement System – Supplemental Death Benefits Fund
For the Year Ended September 30, 2025

Plan Year Ended December 31,	2017	2018	2019	2020	2021	2022	2023	2024
A. Total OPEB Liability								
Service Cost	$ 32,359	$ 40,243	$ 37,047	$ 53,562	$ 71,927	$ 78,490	$ 42,759	$ 48,025
Interest (on the Total OPEB Liability)	22,672	23,726	26,040	24,950	23,003	23,092	33,845	35,469
Difference between expected and actual experience	-	(15,410)	(17,286)	(4,333)	(21,562)	(3,076)	(1,518)	(18,861)
Change of assumptions	62,411	(57,141)	156,463	169,132	42,939	(481,420)	49,195	(54,777)
Benefit payments, including refunds of employee contributions	(4,315)	(4,471)	(4,940)	(5,356)	(13,832)	(15,698)	(21,379)	(22,166)
Net change in total OPEB liability	113,127	(13,053)	197,324	237,955	102,475	(398,612)	102,902	(12,310)
Total OPEB liability - beginning	585,771	698,898	685,845	883,169	1,121,124	1,223,599	824,987	927,889
Total OPEB liability - ending	698,898	685,845	883,169	1,121,124	1,223,599	824,987	927,889	915,579
B. Covered-employee Payroll	$ 21,572,943	$ 22,357,225	$ 24,697,874	$ 26,780,992	$ 27,664,104	$ 31,395,959	$ 35,632,091	$ 36,942,630
C. Total OPEB Liability as a Percentage of Covered Payroll	3.24%	3.07%	3.58%	4.19%	4.42%	2.63%	2.60%	2.48%

Notes to Schedule:

This schedule is required to have 10 years of information, but information prior to 2017 is not available.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

City of Burleson, Texas

Exhibit D-6

Schedule of Changes In Total OPEB Liability and Related Ratios - Retiree Health Care Benefit Plan
For the Year Ended September 30, 2025

Measurement Date September 30,	2018	2019	2020	2021	2022	2023	2024	2025
A. Total OPEB Liability								
Service Cost	$ 148,455	$ 152,883	$ 152,373	$ 214,854	$ 221,335	$ 182,225	$ 189,337	$ 194,070
Interest (on the Total OPEB Liability)	118,786	128,811	139,215	101,983	107,463	220,783	214,438	227,579
Difference between expected and actual experience	326,732	-	141,692	-	(552,588)	-	(554,732)	-
Change of assumptions	256,399	52,121	541,708	(102,528)	(45,996)	(40,566)	(80,532)	(306,041)
Benefit payments	(83,018)	(42,529)	-	(37,819)	14,999	(89,925)	9,642	(183,158)
Net change in total OPEB liability	767,354	291,286	974,988	176,490	(254,787)	272,517	(221,847)	(67,550)
Total OPEB liability - beginning	2,535,980	3,303,334	3,594,620	4,569,608	4,746,098	4,491,311	4,763,828	4,541,981
Total OPEB liability - ending	3,303,334	3,594,620	4,569,608	4,746,098	4,491,311	4,763,828	4,541,981	4,474,431
B. Covered- employee Payroll	$ 18,416,233	$ 22,342,123	$ 22,779,945	$ 26,486,753	$ 27,030,000	$ 30,328,507	$ 36,619,030	$ 37,899,084
C. Total OPEB Liability as a Percentage of Covered-Employee Payroll	17.94%	16.09%	20.06%	17.92%	16.62%	15.71%	12.40%	11.81%

Notes to Schedule:

No assets are accumulated in a trust for the retiree health care plan to pay related benefits that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

This schedule is required to have 10 years of information, but information prior to 2018 is not available.

THE CITY OF
BURLESON
TEXAS

Other Supplementary Information

THE CITY OF
BURLESON
TEXAS

Special Revenue Funds

Special Revenue Funds are used by the City to account for revenues derived from specific taxes, fees, donations, and grants which are designated to finance particular functions or activities of the City. The City has eight nonmajor special revenue funds which include:

The **BCSDC Special Revenue Fund** is used to account for the half cent sales tax collected to fund the activities of Burleson Community Services Development Corporation.

The **4A Corp Special Revenue Fund** is used to account for the half cent sales tax collected to fund the activities of Burleson 4A Economic Development Corporation.

The **Parks Performance Special Revenue Fund** is used to account for the operation of the City's recreational facilities that derive a large portion of their support from user fees. These include the Burleson Recreation Center, Chisenhall Fields and Hidden Creek Softball Complex.

The **Hotel/Motel Tax Fund** – This fund is used to account for the receipts and allocation of the City's 7% room occupancy tax imposed on the rental of hotel/motel rooms located within the corporate city limits and extraterritorial jurisdiction of the City. These funds are used to promote tourism, conventions, and related activities within the City.

The **Grants Fund** – This fund accounts for various miscellaneous grants from federal, state or local governments.

The **COVID Relief Grants Fund** - This fund accounts for the resources received from federal and state agencies to be used to react to the COVID-19 pandemic.

The **Tax Increment Financing District (TIF) 2 Fund** – This fund accounts for the activity of the City's TIF. Revenues collected are primarily interlocal property tax increment funding. A TIF is a public financial method used as a subsidy for development and community improvement projects.

The **Municipal Court Fund** – This fund accounts for the Municipal Court fees assessed that are legally restricted to the purchase/maintenance of the Court's technology enhancements, Court security, improving the collections of court fees, and funding a portion of the juvenile case manager position.

The **Other Special Revenue Fund** – This fund accounts for the proceeds of other specific revenue sources that are legally restricted or committed to expenditures for specified purposes. Traffic safety, public safety, public works, culture and recreation, economic incentive funds, PEG fund, and PID funds are included under this heading.

Nonmajor Capital Projects Funds

Capital Projects Funds are used to account for capital improvements that are financed by designated resources other than City obligation bonds.

The **Mineral Lease-Funded Capital Projects Fund** is used to account for the acquisition and construction of various capital facilities and is funded by various sales tax revenue and general obligation bonds.

The **4A Economic Development Corporation (EDC) Non-Bond Funded Fund** is a blended component unit of the City. The 4A Corporation administers a ½ cent sales tax. The proceeds of this tax are used to pay debt service on bonds issued for various capital improvements. This special revenue fund accounts for the receipts of the sales tax revenue, and subsequent transfers to the debt service fund. Funds in excess of debt service requirements are utilized on authorized capital projects.

The **BCSDC (4B) Non-Bond Funded Fund** is another component unit of the City. The BCSDC administers ½ cents sales tax. The proceeds of this tax are used to pay debt service on bonds issued for various capital improvements. The special revenue accounts for the receipt of the sales tax revenue, and subsequent transfer of the debt service fund. Funds in excess of debt service requirements are utilized on authorized capital projects and to subsidize the Parks Performance Special Revenue Fund and the Golf Course Fund operations.

The **Street Paving Fund** is used to account for funds deposited by developers in lieu of constructing public facilities such as streets and drainage.

The **Street Maintenance Fund** is used to account for funds transferred from the General Fund that were committed for street maintenance.

The **Miscellaneous Non-Bond Funded Fund** includes the Park Dedication subfund and the miscellaneous non-bond funded capital project subfunds. These subfunds account for the proceeds of other sources of revenue and expenditures for authorized projects.

Debt Service Funds

The City's Debt Service Funds account for the accumulation of financial resources for the payment of principal and interest on the City's general obligation (property and sales tax supported) debt:

The **4A EDC Debt Service Fund** accounts for receipts of sales tax revenue and payment of debt service.

The **BCSDC (4B) Debt Service Fund** accounts for the receipt of sales tax revenue and payment of debt service.

City of Burleson, Texas

Nonmajor Governmental Funds
Combining Balance Sheet
September 30, 2025

Exhibit E-1
(Page 1 of 2)

	Special Revenue Funds					
	BCSDC Special Revenue	4A Corp Special Revenue	Parks Performance	Hotel/Motel	Grants	COVID Relief Grants
ASSETS						
Cash and investments	$ 4,364,847	$ 7,293,984	$ 1,161,612	$ 482,275	$ 5,277	$ 1,853,100
Receivables:						
Taxes, net	-	-	-	315,561	-	-
Accounts	-	23,738	36,050	3,700	8,494	-
Leases	-	120,838	-	-	-	-
Accrued interest	22,253	52,096	10,510	3,449	-	13,252
Due from other governments	1,293,870	1,293,870	-	-	-	-
Total assets	5,680,970	8,784,526	1,208,172	804,985	13,771	1,866,352
LIABILITIES						
Current liabilities:						
Accounts payable	8,587	37,191	161,095	9,919	-	630,000
Accrued liabilities	17,655	33,141	146,851	-	-	-
Unearned revenue	-	3,625	176,629	-	-	711,213
Total liabilities	26,242	73,957	484,575	9,919	-	1,341,213
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - hotel occupancy taxes	-	-	-	85,829	-	-
Unavailable revenue - leased assets	-	109,064	-	-	-	-
Total deferred inflows of resources	-	109,064	-	85,829	-	-
FUND BALANCES						
Restricted for:						
Debt service	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Parks and recreation	-	-	723,597	-	-	-
Library	-	-	-	-	-	-
Economic development	5,654,728	8,601,505	-	-	-	-
Tourism	-	-	-	709,237	-	-
Other purposes	-	-	-	-	13,771	525,139
Committed for:						-
Capital projects	-	-	-	-	-	-
Total fund balances	5,654,728	8,601,505	723,597	709,237	13,771	525,139
Total liabilities, deferred inflows of resources and fund balances	$ 5,680,970	$ 8,784,526	$ 1,208,172	$ 804,985	$ 13,771	$ 1,866,352

City of Burleson, Texas
Nonmajor Governmental Funds
Combining Balance Sheet
September 30, 2025

	Special Revenue Funds			Capital Projects Funds	
	TIF 2	Municipal Court	Other Special Revenue	Mineral Lease Funded Capital Projects	4A EDC Non-bond Funded
ASSETS					
Cash and investments	$ 1,082,843	$ 197,177	$ 800,654	$ 478,331	$ 278,497
Receivables:					
Taxes, net	-	-	-	-	-
Accounts	10,500	-	15,447	-	-
Leases	-	-	-	-	-
Accrued interest	7,749	1,447	3,225	18,690	1,996
Due from other governments	-	-	-	-	-
Total assets	1,101,092	198,624	819,326	497,021	280,493
LIABILITIES					
Current liabilities:					
Accounts payable	-	-	31,569	180,785	21,121
Accrued liabilities	-	-	183,317	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	-	-	214,886	180,785	21,121
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - hotel occupancy taxes	-	-	-	-	-
Unavailable revenue - leased assets	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
FUND BALANCES					
Restricted for:					
Debt service	-	-	-	-	-
Public safety	-	198,624	-	-	-
Parks and recreation	-	-	-	-	-
Library	-	-	170,360	-	-
Economic development	1,101,092	-	262,971	-	-
Tourism	-	-	-	-	-
Other purposes	-	-	171,109	-	-
Committed for:					
Capital projects	-	-	-	316,236	259,372
Total fund balances	1,101,092	198,624	604,440	316,236	259,372
Total liabilities, deferred inflows of resources and fund balances	$ 1,101,092	$ 198,624	$ 819,326	$ 497,021	$ 280,493

Capital Projects Funds				Debt Service Funds		Total
BCSDC 4B Non-bond Funded	Street Paving Trust	Street Maintenance	Miscellaneous Non-bond Funded	4A EDC Debt Service	BCSDC 4B Debt Service	Other Governmental Funds
$ 164,474	$ 3,904,732	$ 37,317	$ 4,736,389	$ 12,269	$ 130,036	$ 26,983,814
-	-	-	-	-	-	315,561
-	-	-	-	-	-	97,929
-	-	-	-	-	-	120,838
1,176	27,922	267	34,421	88	930	199,471
-	-	-	-	-	-	2,587,740
165,650	3,932,654	37,584	4,770,810	12,357	130,966	30,305,353
-	1	-	387,502	433	231	1,468,434
-	-	-	-	-	-	380,964
-	-	-	-	-	-	891,467
-	1	-	387,502	433	231	2,740,865
-	-	-	-	-	-	85,829
-	-	-	-	-	-	109,064
-	-	-	-	-	-	194,893
-	-	-	-	11,924	130,735	142,659
-	-	-	-	-	-	198,624
-	-	-	-	-	-	723,597
-	-	-	-	-	-	170,360
-	-	-	-	-	-	15,620,296
-	-	-	-	-	-	709,237
-	-	-	-	-	-	710,019
165,650	3,932,653	37,584	4,383,308	-	-	9,094,803
165,650	3,932,653	37,584	4,383,308	11,924	130,735	27,369,595
$ 165,650	$ 3,932,654	$ 37,584	$ 4,770,810	$ 12,357	$ 130,966	$ 30,305,353

THE CITY OF
BURLESON
TEXAS

City of Burleson, Texas

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds
For the Year Ended September 30, 2025

Exhibit E-2
(Page 1 of 2)

	Special Revenue Funds					
	BCSDC Special Revenue	4A Corp Special Revenue	Parks Performance	Hotel/Motel	Grants	COVID Relief Grants
REVENUES						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -
Sales and use taxes	7,731,931	7,731,931	-	-	-	-
Hotel occupancy taxes	-	-	-	489,671	-	-
Franchise fees	-	-	-	-	-	-
Charges for services	-	-	2,698,618	-	-	-
Intergovernmental	-	-	-	-	62,000	2,137,035
Fines	-	-	-	-	-	-
Contributions and donations	-	-	-	-	-	-
Investment income	147,015	305,007	64,888	21,790	-	102,275
Mineral lease	-	-	-	-	-	-
Street assessments	-	-	-	-	-	-
Miscellaneous	45,906	379,101	41,639	6,350	-	-
Total revenues	7,924,852	8,416,039	2,805,145	517,811	62,000	2,239,310
EXPENDITURES						
Current:						
General government	-	118,709	-	-	-	-
Community development	41,517	3,044,495	-	352,440	-	-
Public safety	-	-	-	-	60,372	928,530
Public works	-	-	-	-	-	-
Library	-	-	-	-	4,395	-
Parks and recreation	711,577	-	5,577,672	-	-	-
Debt service:						
Interest and fiscal agent charges	-	-	-	-	-	-
Capital outlay	39,773	2,806,220	46,289	-	-	1,208,505
Total expenditures	792,867	5,969,424	5,623,961	352,440	64,767	2,137,035
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	7,131,985	2,446,615	(2,818,816)	165,371	(2,767)	102,275
OTHER FINANCING SOURCES (USES)						
Proceeds from sale of land	-	2,410,475	-	-	-	-
Transfers in	-	-	2,818,816	-	-	-
Transfers out	(6,562,242)	(4,291,739)	-	-	-	-
Total other financing sources (uses)	(6,562,242)	(1,881,264)	2,818,816	-	-	-
NET CHANGE IN FUND BALANCE	569,743	565,351	-	165,371	(2,767)	102,275
FUND BALANCE, BEGINNING, as previously presented	5,084,985	8,036,154	723,597	543,866	16,538	422,864
Change within financial reporting entity	-	-	-	-	-	-
FUND BALANCE, ENDING	$ 5,654,728	$ 8,601,505	$ 723,597	$ 709,237	$ 13,771	$ 525,139

City of Burleson, Texas

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds
For the Year Ended September 30, 2025

	Special Revenue Funds			Capital Projects Funds	
	TIF 2	Municipal Court	Other Special Revenue	Mineral Lease Funded Capital Projects	4A EDC Non-bond Funded
REVENUES					
Property taxes	$ 1,296,561	$ -	$ -	$ -	$ -
Sales and use taxes	-	-	-	-	-
Hotel occupancy taxes	-	-	-	-	-
Franchise fees	-	-	37,890	-	-
Charges for services	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Fines	-	38,291	-	-	-
Contributions and donations	-	-	158,208	-	-
Investment income	58,486	8,799	21,745	34,554	13,972
Mineral lease	-	-	-	209,811	-
Street assessments	-	-	124,505	-	-
Miscellaneous	18,250	-	-	-	-
Total revenues	1,373,297	47,090	342,348	244,365	13,972
EXPENDITURES					
Current:					
General government	-	2,286	205,976	-	-
Community development	272,630	-	-	-	-
Public safety	-	33,018	-	-	-
Public works	-	-	40,455	-	562
Library	-	-	6,230	-	-
Parks and recreation	17,685	-	10,190	18,295	-
Debt service:					
Interest and fiscal agent charges	-	-	-	-	-
Capital outlay	-	-	-	839,263	90,271
Total expenditures	290,315	35,304	262,851	857,558	90,833
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,082,982	11,786	79,497	(613,193)	(76,861)
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of land	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	(923,026)	-	-	-	-
Total other financing sources (uses)	(923,026)	-	-	-	-
NET CHANGE IN FUND BALANCE	159,956	11,786	79,497	(613,193)	(76,861)
FUND BALANCE, BEGINNING, as previously presented	941,136	186,838	524,943	929,429	336,233
Change within financial reporting entity	-	-	-	-	-
FUND BALANCE, ENDING	$ 1,101,092	$ 198,624	$ 604,440	$ 316,236	$ 259,372

Capital Projects Funds				Debt Service Funds			Total
BCSDC 4B Non-bond Funded	Street Paving Trust	Street Maintenance	Miscellaneous Non-bond Funded	*Formerly Non-major* General Debt Service	4A EDC Debt Service	BCSDC 4B Debt Service	Other Governmental Funds
$ -	$ -	$ -	$ -		$ -	$ -	$ 1,296,561
-	-	-	-		-	-	15,463,862
-	-	-	-		-	-	489,671
-	-	-	-		-	-	37,890
-	-	-	-		-	-	2,698,618
-	-	-	-		-	-	2,199,035
-	-	-	-		-	-	38,291
-	920,734	-	-		-	-	1,078,942
8,406	157,940	32,107	230,421		572	5,802	1,213,779
-	-	-	-		-	-	209,811
-	-	-	-		-	-	124,505
-	-	-	-		-	-	491,246
8,406	1,078,674	32,107	230,421		572	5,802	25,342,211
-	-	-	-		-	-	326,971
-	-	1,659,221	20,411		-	-	5,390,714
-	-	-	-		-	-	1,021,920
-	-	-	171,210		-	-	212,227
-	-	-	-		-	-	10,625
67,282	-	-	-		-	-	6,402,701
-	-	-	-		1,293	371	1,664
-	-	6,055	1,197,592		-	-	6,233,968
67,282	-	1,665,276	1,389,213		1,293	371	19,600,790
(58,876)	1,078,674	(1,633,169)	(1,158,792)		(721)	5,431	5,741,421
-	-	-	-		-	-	2,410,475
-	-	1,670,753	-		-	-	4,489,569
-	-	-	-		-	-	(11,777,007)
-	-	1,670,753	-		-	-	(4,876,963)
(58,876)	1,078,674	37,584	(1,158,792)		(721)	5,431	864,458
224,526	2,853,979	-	5,542,100	6,851,142	12,645	125,304	33,356,279
-	-	-	-	(6,851,142)	-	-	(6,851,142)
$ 165,650	$ 3,932,653	$ 37,584	$ 4,383,308	$ -	$ 11,924	$ 130,735	$ 27,369,595

City of Burleson, Texas
Debt Service Funds
Budgetary Comparison Schedule
For the Year Ended September 30, 2025

	BCSDC Debt Service			
	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Investment income	$ -	$ -	$ 5,802	$ 5,802
Total revenues	-	-	5,802	5,802
EXPENDITURES				
Debt service:				
Interest and fiscal agent charges	-	-	371	(371)
Total expenditures	-	-	371	(371)
Excess (deficiency) of revenues over (under) expenditures	-	-	5,431	5,431
NET CHANGE IN FUND BALANCE	-	-	5,431	5,431
FUND BALANCE, BEGINNING	125,304	125,304	125,304	-
FUND BALANCE, ENDING	$ 125,304	$ 125,304	$ 130,735	$ 5,431

4A EDC Debt Service			
Original Budget	Final Budget	Actual	Variance Positive (Negative)
$ -	$ -	$ 572	$ 572
-	-	572	572
-	-	1,293	(1,293)
-	-	1,293	(1,293)
-	-	(721)	(721)
-	-	(721)	(721)
12,645	12,645	12,645	-
$ 12,645	$ 12,645	$ 11,924	$ (721)

City of Burleson, Texas **Exhibit E-4**

Hotel/Motel Fund
Budgetary Comparison Schedule
For the Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Hotel occupancy taxes	$ 515,000	$ 515,000	$ 489,671	$ (25,329)
Investment income	10,000	10,000	21,790	11,790
Miscellaneous	5,000	5,000	6,350	1,350
Total revenues	530,000	530,000	517,811	(12,189)
EXPENDITURES				
Current:				
Community development	574,393	574,393	352,440	221,953
Total expenditures	574,393	574,393	352,440	221,953
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(44,393)	(44,393)	165,371	209,764
FUND BALANCE, BEGINNING	543,866	543,866	543,866	-
FUND BALANCE, ENDING	$ 499,473	$ 499,473	$ 709,237	$ 209,764

City of Burleson, Texas **Exhibit E-5**

BCSDC Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Sales tax	$ 7,643,839	$ 7,643,839	$ 7,731,931	$ 88,092
Investment income	130,000	130,000	147,015	17,015
Miscellaneous	41,467	41,467	45,906	4,439
Total revenues	7,815,306	7,815,306	7,924,852	109,546
EXPENDITURES				
Current:				
Community development	208,750	208,750	41,517	167,233
Parks and recreation	671,268	671,268	711,577	(40,309)
Capital outlay	50,000	70,148	39,773	30,375
Total expenditures	930,018	950,166	792,867	157,299
EXCESS OF REVENUES OVER EXPENDITURES	6,885,288	6,865,140	7,131,985	266,845
OTHER FINANCING USES				
Transfers out	(7,451,587)	(7,451,587)	(6,562,242)	889,345
Total other financing uses	(7,451,587)	(7,451,587)	(6,562,242)	889,345
NET CHANGE IN FUND BALANCE	(566,299)	(586,447)	569,743	1,156,190
FUND BALANCE, BEGINNING	5,084,985	5,084,985	5,084,985	-
FUND BALANCE, ENDING	$ 4,518,686	$ 4,498,538	$ 5,654,728	$ 1,156,190

City of Burleson, Texas **Exhibit E-6**

4A Corp Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Sales tax	$ 7,643,839	$ 7,643,839	$ 7,731,931	$ 88,092
Investment income	75,000	75,000	305,007	230,007
Miscellaneous	301,575	301,575	379,101	77,526
Total revenues	8,020,414	8,020,414	8,416,039	395,625
EXPENDITURES				
Current:				
General Government	112,519	112,519	118,709	(6,190)
Community development	6,601,363	7,908,148	3,044,495	4,863,653
Capital outlay	-	1,100,000	2,806,220	(1,706,220)
Total expenditures	6,713,882	9,120,667	5,969,424	3,151,243
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,306,532	(1,100,253)	2,446,615	3,546,868
OTHER FINANCING USES				
Proceeds from sale of land	2,375,000	2,375,000	2,410,475	35,475
Transfers out	(4,262,836)	(4,262,836)	(4,291,739)	(28,903)
Total other financing uses	(1,887,836)	(1,887,836)	(1,881,264)	6,572
NET CHANGE IN FUND BALANCE	(581,304)	(2,988,089)	565,351	3,553,440
FUND BALANCE, BEGINNING	8,036,154	8,036,154	8,036,154	-
FUND BALANCE, ENDING	$ 7,454,850	$ 5,048,065	$ 8,601,505	$ 3,553,440

City of Burleson, Texas **Exhibit E-7**

Parks Performance Fund
Budgetary Comparison Schedule
For the Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for services	$ 2,373,747	$ 2,373,747	$ 2,698,618	$ 324,871
Investment income	10,300	10,300	64,888	54,588
Miscellaneous	-	-	41,639	41,639
Total revenues	2,384,047	2,384,047	2,805,145	421,098
EXPENDITURES				
Current:				
Parks and recreation	5,627,109	5,758,364	5,577,672	180,692
Capital outlay	6,886	283,308	46,289	237,019
Total expenditures	5,633,995	6,041,672	5,623,961	417,711
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,249,948)	(3,657,625)	(2,818,816)	838,809
OTHER FINANCING SOURCES				
Transfers in	3,249,948	3,249,948	2,818,816	(431,132)
Total other financing sources	3,249,948	3,249,948	2,818,816	(431,132)
NET CHANGE IN FUND BALANCE	-	(407,677)	-	407,677
FUND BALANCE, BEGINNING	723,597	723,597	723,597	-
FUND BALANCE, ENDING	$ 723,597	$ 315,920	$ 723,597	$ 407,677

City of Burleson, Texas **Exhibit E-8**

TIF 2 Fund
Budgetary Comparison Schedule
For the Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Property taxes	$ 1,327,673	$ 1,327,673	$ 1,296,561	$ (31,112)
Investment income	25,000	25,000	58,486	33,486
Miscellaneous	10,000	10,000	18,250	8,250
Total revenues	1,362,673	1,362,673	1,373,297	10,624
EXPENDITURES				
Current:				
Community development	229,415	229,415	272,630	(43,215)
Public safety	18,700	18,700	-	18,700
Parks and recreation	41,348	41,348	17,685	23,663
Total expenditures	289,463	289,463	290,315	(852)
EXCESS OF REVENUES OVER EXPENDITURES	1,073,210	1,073,210	1,082,982	9,772
OTHER FINANCING USES				
Transfers out	(923,878)	(923,878)	(923,026)	852
Total other financing uses	(923,878)	(923,878)	(923,026)	852
NET CHANGE IN FUND BALANCE	149,332	149,332	159,956	10,624
FUND BALANCE, BEGINNING	941,136	941,136	941,136	-
FUND BALANCE, ENDING	$ 1,090,468	$ 1,090,468	$ 1,101,092	$ 10,624

City of Burleson, Texas **Exhibit E-9**

Municipal Court Fund
Budgetary Comparison Schedule
For the Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Fines	$ 71,585	$ 71,585	$ 38,291	$ (33,294)
Investment income	4,700	4,700	8,799	4,099
Total revenues	76,285	76,285	47,090	(29,195)
EXPENDITURES				
Current:				
Public safety	43,760	43,760	33,018	10,742
General Government	-	-	2,286	(2,286)
Total expenditures	43,760	43,760	35,304	8,456
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	32,525	32,525	11,786	(20,739)
FUND BALANCE, BEGINNING	186,838	186,838	186,838	-
FUND BALANCE, ENDING	$ 219,363	$ 219,363	$ 198,624	$ (20,739)

Nonmajor Enterprise Funds

The **Hidden Creek Golf Course Fund** accounts for the operations of the City's golf course, Hidden Creek Golf Course.

The **Solid Waste Fund** accounts for the operations of the City's solid waste collection utility.

The **Cemetery Enterprise Fund** accounts for the operations of the City's cemetery.

City of Burleson, Texas

Exhibit F-1

Nonmajor Enterprise Funds
Combining Statement of Net Position
September 30, 2025

	Hidden Creek Golf Course	Solid Waste	Cemetery	Total
ASSETS				
Current assets:				
Deposits and investments	$ -	$ 805,541	$ 805,601	$ 1,611,142
Receivables:				
Accounts	10,318	583,984	14,482	608,784
Accrued interest	1,671	5,789	6,799	14,259
Total current assets	11,989	1,395,314	826,882	2,234,185
Noncurrent assets:				
Capital assets, net	3,046,970	4,917	1,259,574	4,311,461
Total noncurrent assets	3,046,970	4,917	1,259,574	4,311,461
Total assets	3,058,959	1,400,231	2,086,456	6,545,646
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	179,739	-	-	179,739
Deferred outflows related to OPEB (RHP & SDBF)	5,540	-	-	5,540
Total deferred outflows of resources	185,279	-	-	185,279
LIABILITIES				
Current liabilities:				
Accounts payable	$ 110,596	$ 745,951	$ -	$ 856,547
Accrued liabilities	106,162	-	-	106,162
Due to other funds	566,847	-	-	566,847
Compensated absences	75,868	-	-	75,868
Net pension liability	137,000			137,000
Total OPEB liability (RHP & SDBF)	10,000			10,000
Total current liabilities	1,006,473	745,951	-	1,752,424
Noncurrent liabilities:				
Compensated absences	29,950	-	-	29,950
Net pension liability	409,853	-	-	409,853
Total OPEB liability (RHP & SDBF)	107,500	-	-	107,500
Total noncurrent liabilities	547,303	-	-	547,303
Total liabilities	1,553,776	745,951	-	2,299,727
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	45,765	-	-	45,765
Deferred inflows related to OPEB (RHP & SDBF)	30,517	-	-	30,517
Total deferred inflows of resources	76,282	-	-	76,282
NET POSITION				
Net investment in capital assets	3,046,970	4,917	1,259,574	4,311,461
Unrestricted	(1,432,790)	649,363	826,882	43,455
TOTAL NET POSITION	$ 1,614,180	$ 654,280	$ 2,086,456	$ 4,354,916

City of Burleson, Texas **Exhibit F-2**

Nonmajor Enterprise Funds
Combining Statement of Revenues, Expenses,
and Changes in Net Position
For the Year Ended September 30, 2025

	Hidden Creek Golf Course	Solid Waste	Cemetery	Total
OPERATING REVENUES				
Charges for goods and services	$ 2,633,943	$ 4,700,410	$ 74,599	$ 7,408,952
Miscellaneous	88	-	-	88
Mineral lease	-	-	10,319	10,319
Total operating revenues	2,634,031	4,700,410	84,918	7,419,359
OPERATING EXPENSES				
Cost of golf operations	3,316,645	-	-	3,316,645
Cost of cemetery operations	-	-	5,514	5,514
Cost of solid waste operations	-	4,628,194	-	4,628,194
Materials, supplies, and cemetery lots	-	-	19,320	19,320
Depreciation	65,569	207	67,899	133,675
Total operating expenses	3,382,214	4,628,401	92,733	8,103,348
OPERATING INCOME (LOSS)	(748,183)	72,009	(7,815)	(683,989)
NON-OPERATING REVENUES (EXPENSES)				
Gain on disposition of capital assets	9,550	-	-	9,550
Investment income	4,492	35,254	35,035	74,781
Other revenue	16,198	-	-	16,198
Total non-operating revenues	30,240	35,254	35,035	100,529
INCOME (LOSS) BEFORE TRANSFERS	(717,943)	107,263	27,220	(583,460)
Transfers in	717,943	-	-	717,943
Transfers out	-	(46,782)	-	(46,782)
CHANGE IN NET POSITION	-	60,481	27,220	87,701
NET POSITION AT BEGINNING OF YEAR	1,614,180	593,799	2,059,236	4,267,215
NET POSITION AT END OF YEAR	$ 1,614,180	$ 654,280	$ 2,086,456	$ 4,354,916

City of Burleson, Texas

Nonmajor Enterprise Funds
Combining Statement of Cash Flows
For the Year Ended September 30, 2025

Exhibit F-3
(Page 1 of 2)

	Hidden Creek Golf Course	Solid Waste	Cemetery	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	$ 2,649,367	$ 4,721,968	$ 86,198	$ 7,457,533
Payments to suppliers and service providers	(1,696,653)	(4,560,388)	(24,868)	(6,281,909)
Payments to employees for salaries and benefits	(1,560,124)	-	-	(1,560,124)
Payments to other funds for services provided	215,810	-	-	215,810
Other receipts	-	-	10,319	10,319
Net cash provided by (used in) operating activities	(391,600)	161,580	71,649	(158,371)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Payments from other funds	717,943	-	-	717,943
Payments to other funds	-	(46,782)	-	(46,782)
Net cash provided by (used in) noncapital financing activities	717,943	(46,782)	-	671,161
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Receipts from sale of capital assets	9,550	-	-	9,550
Principal paid on bonds	(363,827)	-	-	(363,827)
Interest payments on bonds	15,864	-	-	15,864
Acquisition of capital assets	(32,596)	-	-	(32,596)
Net cash (used in) capital and related financial activities	(371,009)	-	-	(371,009)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	2,964	31,247	34,687	68,898
Net cash provided by investing activities activities	2,964	31,247	34,687	68,898
Net increase (decrease) in cash and cash equivalents	(41,702)	146,045	106,336	210,679
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	41,702	659,496	699,265	1,400,463
CASH AND CASH EQUIVALENTS - END OF YEAR	$ -	$ 805,541	$ 805,601	$ 1,611,142

	Hidden Creek Golf Course	Solid Waste	Cemetery	Total Nonmajor Enterprise Funds
Reconciliation of operating loss to net cash provided (used) by operating activities:				
Operating income (loss)	$ (748,183)	$ 72,009	$ (7,815)	$ (683,989)
Depreciation	65,569	207	67,899	133,675
Change in operating assets and liabilities:				
(Increase) decrease in accounts receivable	15,336	21,558	11,599	48,493
(Increase) decrease in deferred outflows related to pension	82,141	-	-	82,141
(Increase) decrease in deferred outflows related to OPEB	4,422	-	-	4,422
Increase (decrease) in accounts payable	(2,260)	67,806	(34)	65,512
Increase (decrease) in accrued liabilities	19,076	-	-	19,076
Increase (decrease) in due to other funds	215,810	-	-	215,810
Increase (decrease) in compensated absences	5,993	-	-	5,993
Increase (decrease) in net pension liability and total OPEB liability	(83,178)	-	-	(83,178)
Increase (decrease) in deferred inflows related to pension	32,582	-	-	32,582
Increase (decrease) in deferred inflows related to OPEB	1,092	-	-	1,092
Net cash provided by (used in) operating activities	$ (391,600)	$ 161,580	$ 71,649	$ (158,371)

City of Burleson, Texas

Combining Financial Statements
Internal Service Funds

Internal Service Funds are used to account for the financing of goods and/or services provided by one department to another department within the City:

The **Equipment Services Fund** accounts for a full range of services in managing and maintaining the City's fleet of vehicles and equipment. All costs associated with these operations are charged to the using department to offset the adopted budget to this fund.

The **Governmental Vehicle Replacement Fund** provides for the replacement of vehicles and equipment utilized by all governmental City departments. The two equipment replacement funds enable the City to fund major equipment purchases without substantially affecting the stability of the ad valorem tax rate.

The **Business-Type Vehicle Replacement Fund** is used as a funding, management and planning tool that provides a systematic approach to the replacement of City-owned vehicles and equipment used by the Water-Wastewater, Golf and Solid Waste funds.

The **Support Services Fund** is designed to record the activities of support services function (currently only Information Technology) and allow for the costs of these services to be reflected as expenditures of the "customer" departments.

The **Health Insurance Fund** accounts for the City's self-health insurance program.

City of Burleson, Texas

Exhibit G-1

Combining Statement of Net Position
Internal Service Funds
September 30, 2025

	Equipment Services	Governmental Vehicle Replacement	Business-type Vehicle Replacement	Support Services	Health Insurance	Total Internal Service Funds
ASSETS						
Current assets:						
Cash and investments	$ 575,155	$ 6,230,222	$ 409,918	$ 2,018,656	$ 3,309,409	$ 12,543,360
Receivables:						
Accounts	-	82,594	17,550	-	90,952	191,096
Accrued interest	4,050	44,574	2,937	14,251	23,672	89,484
Inventories	40,738	-	-	-	-	40,738
Total current assets	619,943	6,357,390	430,405	2,032,907	3,424,033	12,864,678
Noncurrent assets:						
Capital assets, net	42,007	3,195,064	1,814,479	8,499,927	-	13,551,477
Total noncurrent assets	42,007	3,195,064	1,814,479	8,499,927	-	13,551,477
Total assets	661,950	9,552,454	2,244,884	10,532,834	3,424,033	26,416,155
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pensions	97,249	-	-	315,033	-	412,282
Deferred outflows related to OPEB (RHP & SDBF)	2,998	-	-	9,707	-	12,705
Total deferred outflows	100,247	-	-	324,740	-	424,987
LIABILITIES						
Current liabilities:						
Accounts payable	135,814	-	18,787	230,033	65,963	450,597
Net pension liability	74,000	-	-	240,000	-	314,000
Total OPEB liability (RHP & SDBF)	5,000	-	-	17,000	-	22,000
Compensated absences	22,024	-	-	135,256	-	157,280
Subscription liabilities	-	-	-	948,840	-	948,840
Accrued liabilities	29,973	-	-	96,108	-	126,081
Total current liabilities	266,811	-	18,787	1,667,237	65,963	2,018,798
Noncurrent liabilities:						
Net pension liability	221,879	-	-	718,484	-	940,363
Total OPEB liability (RHP & SDBF)	58,574	-	-	188,946	-	247,520
Subscription liabilities	-	-	-	5,453,961	-	5,453,961
Compensated absences	-	-	-	59,106	-	59,106
Total noncurrent liabilities	280,453	-	-	6,420,497	-	6,700,950
Total liabilities	547,264	-	18,787	8,087,734	65,963	8,719,748
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	24,761	-	-	80,213	-	104,974
Deferred inflows related to OPEB (RHP & SDBF)	16,511	-	-	53,485	-	69,996
Total deferred inflows	41,272	-	-	133,698	-	174,970
NET POSITION						
Net investment in capital assets	42,007	3,195,064	1,814,479	2,097,126	-	7,148,676
Unrestricted	131,654	6,357,390	411,618	539,016	3,358,070	10,797,748
Total net position	$ 173,661	$ 9,552,454	$ 2,226,097	$ 2,636,142	$ 3,358,070	$ 17,946,424

City of Burleson, Texas

Exhibit G-2

Combining Statement of Revenues, Expenses and
Changes in Fund Net Position - Internal Service Funds
For the Year Ended September 30, 2025

	Equipment Services	Governmental Vehicle Replacement	Business-type Vehicle Replacement	Support Services	Health Insurance	Total Internal Service Funds
OPERATING REVENUES						
Charges for goods and services	$ 2,394,790	$ 1,763,190	$ 489,250	$ 6,688,816	$ 7,901,517	$ 19,237,563
Miscellaneous	-	-	-	1,178	-	1,178
Total operating revenues	2,394,790	1,763,190	489,250	6,689,994	7,901,517	19,238,741
OPERATING EXPENSES						
Personnel services	736,447	-	-	2,392,769	375,002	3,504,218
Professional and contracted services	257,793	-	-	141,369	110,875	510,037
Administrative and IT	174,220	5,850	-	263,000		443,070
Insurance	-	-	-	-	7,547,710	7,547,710
Repairs and maintenance	253,047	-	-	2,714,920	-	2,967,967
Materials and supplies	995,131	114,056	22,550	500,888	-	1,632,625
Depreciation/amortization	7,451	1,101,085	478,057	857,892	-	2,444,485
Total operating expenses	2,424,089	1,220,991	500,607	6,870,838	8,033,587	19,050,112
Operating income (loss)	(29,299)	542,199	(11,357)	(180,844)	(132,070)	188,629
NONOPERATING REVENUES						
Gain on sale of capital assets	30,518	209,834	42,600	-	-	282,952
Investment income	23,045	276,280	21,774	65,942	149,584	536,625
Interest and fiscal agent charges	-	-	-	(9,637)	-	(9,637)
Total nonoperating revenues	53,563	486,114	64,374	56,305	149,584	809,940
Change in net position	24,264	1,028,313	53,017	(124,539)	17,514	998,569
NET POSITION - BEGINNING OF YEAR	149,397	8,524,141	2,173,080	2,760,681	3,340,556	16,947,855
NET POSITION - ENDING OF YEAR	$ 173,661	$ 9,552,454	$ 2,226,097	$ 2,636,142	$ 3,358,070	$ 17,946,424

City of Burleson, Texas

Exhibit G-3

Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2025

	Equipment Services	Vehicle Replacement Governmental	Vehicle Replacement Business-Type	Support Services	Health Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts for interfund charges	$ 2,394,790	$ 1,680,596	$ 471,700	$ 6,779,936	$ 7,821,850	$ 19,148,872
Other receipts	-	-	-	1,178	-	1,178
Payments to suppliers and service providers	(1,601,627)	(119,906)	(22,550)	(4,065,030)	(7,593,640)	(13,402,753)
Payments to employees for salaries and benefits	(663,466)	-	-	(2,081,470)	(375,002)	(3,119,938)
Net cash provided by (used in) operating activities	129,697	1,560,690	449,150	634,614	(146,792)	2,627,359
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Receipts for sale of capital assets	30,518	209,834	42,600	416,654	-	699,606
Principal payments on subscription liabilities/financed purchases	-	-	-	(486,019)	-	(486,019)
Interest payments on subscription liabilities	-	-	-	(9,637)	-	(9,637)
Acquisition and construction of capital assets	(9,919)	(1,113,012)	(595,413)	(320,093)	-	(2,038,437)
Net cash used by capital and related financing activities	20,599	(903,178)	(552,813)	(399,095)	-	(1,834,487)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received	20,054	245,862	20,148	56,240	134,720	477,024
Net cash provided by investing activities	20,054	245,862	20,148	56,240	134,720	477,024
Net increase (decrease) in cash and cash equivalents	170,350	903,374	(83,515)	291,759	(12,072)	1,269,896
CASH AND CASH EQUIVALENTS, beginning of year	404,805	5,326,848	493,433	1,726,897	3,321,481	11,273,464
CASH AND CASH EQUIVALENTS, end of year	$ 575,155	$ 6,230,222	$ 409,918	$ 2,018,656	$ 3,309,409	$ 12,543,360
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating income (loss)	$ (29,299)	$ 542,199	$ (11,357)	$ (180,844)	$ (132,070)	$ 188,629
Depreciation	7,451	1,101,085	478,057	857,892	-	2,444,485
Change in operating assets and liabilities:						
Decrease (increase) in accounts receivable	-	(82,594)	(17,550)	91,120	(79,667)	(88,691)
Decrease (increase) in inventories	(18,363)	-	-	-	-	(18,363)
Decrease (increase) in deferred outflows related to pension	21,470	-	-	75,342	-	96,812
Decrease (increase) in deferred outflows related to OPEB	1,520	-	-	5,142	-	6,662
Increase (decrease) in accounts payable	96,927	-	-	(444,853)	64,945	(282,981)
Increase (decrease) in accrued liabilities	3,798	-	-	22,762	-	26,560
Increase (decrease) in compensated absences	3,665	-	-	87,759	-	91,424
Increase (decrease) in net pension and OPEB liability	20,571	-	-	50,110	-	70,681
Increase (decrease) in deferred inflows related to pension	18,785	-	-	60,561	-	79,346
Increase in deferred inflows related to OPEB	3,172	-	-	9,623	-	12,795
Net cash provided by (used in) operating activities	$ 129,697	$ 1,560,690	$ 449,150	$ 634,614	$ (146,792)	$ 2,627,359

City of Burleson, Texas

Statistical Section (Unaudited)

This part of the City of Burleson's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents: **Table**

Financial Trends 1

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity 5

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity 9

These schedules present information to help the reader assess the affordability of the government's current level of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information 13

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information 15

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports of the relevant year.

City of Burleson, Texas

Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)

	2016	2017	2018
Governmental activities:			
Net investment in capital assets	$ 111,368,435	$ 127,316,098	$ 136,812,328
Restricted	11,548,400	12,262,240	13,166,573
Unrestricted	10,908,958	8,167,997	4,245,368
Total governmental activities net position	$ 133,825,793	$ 147,746,335	$ 154,224,269
Business-type activities:			
Net investment in capital assets	$ 56,061,308	$ 68,346,297	$ 69,333,764
Restricted	4,592,463	1,049,746	1,049,746
Unrestricted	12,448,245	10,499,641	15,642,520
Total business-type activities net position	$ 73,102,016	$ 79,895,684	$ 86,026,030
Primary government:			
Net investment in capital assets	$ 167,429,743	$ 195,662,395	$ 206,146,122
Restricted	16,140,863	13,311,986	14,216,319
Unrestricted	23,357,203	18,667,638	19,887,888
Total primary government activities net position	$ 206,927,809	$ 227,642,019	$ 240,250,329

Table 1

2019	2020	2021	2022	2023	2024	2025
$ 148,085,539	$ 153,051,846	$ 163,721,859	$ 174,521,592	$ 202,912,185	$ 196,476,618	$ 203,839,036
13,232,818	17,468,108	12,460,606	12,617,978	17,576,662	22,953,937	22,482,794
4,248,170	6,714,141	14,525,540	23,156,517	1,899,367	13,701,406	18,288,799
$ 165,566,527	$ 177,234,095	$ 190,708,005	$ 210,296,087	$ 222,388,214	$ 233,131,961	$ 244,610,629
$ 75,777,424	$ 79,752,890	$ 88,788,759	$ 86,021,027	$ 75,413,705	$ 92,255,311	$ 94,166,336
5,225,080	7,415,521	7,608,773	305,147	-	-	-
11,580,796	13,778,201	10,389,928	28,366,948	31,960,222	17,046,374	18,889,213
$ 92,583,300	$ 100,946,612	$ 106,787,460	$ 114,693,122	$ 107,373,927	$ 109,301,685	$ 113,055,549
$ 223,862,963	$ 232,804,736	$ 252,510,618	$ 260,542,619	$ 278,325,890	$ 288,731,929	$ 298,005,372
18,457,898	24,883,629	20,069,379	12,923,125	17,576,662	22,953,937	22,482,794
15,828,966	20,492,342	24,915,468	51,523,465	33,859,589	30,747,780	37,178,012
$ 258,149,827	$ 278,180,707	$ 297,495,465	$ 324,989,209	$ 329,762,141	$ 342,433,646	$ 357,666,178

City of Burleson, Texas
Changes in Net Position
Last Ten Fiscal Years (Unaudited)
(Accrual Basis of Accounting)

	2016	2017	2018
Expenses			
Governmental activities:			
General government	$ 3,406,957	$ 7,611,844	$ 7,801,767
Public safety	18,135,674	18,619,648	19,356,978
Public works	11,100,276	11,263,930	12,173,830
Community development	4,701,517	2,740,816	4,902,487
Culture and recreation	7,801,924	8,091,904	8,134,817
Parks and recreation	-	-	-
Library	-	-	-
Interest on long-term debt	3,237,341	3,118,052	2,954,294
Total governmental activities expenses	48,383,689	51,446,194	55,324,173
Business-type activities:			
Water and wastewater	16,333,488	16,349,125	17,605,194
Hidden Creek Golf Course	2,049,089	2,141,509	2,046,511
Solid Waste	2,846,497	2,957,738	3,047,978
Cemetery	11,152	11,910	12,528
Total business-type activities expenses	21,240,226	21,460,282	22,712,211
Total primary government expenses	$ 69,623,915	$ 72,906,476	$ 78,036,384
Program Revenues:			
Governmental activities:			
Charges for services	$ 7,566,246	$ 8,782,144	$ 8,784,594
Operating grants and contributions	971,500	1,592,388	1,426,293
Capital grants and contributions	2,144,534	11,440,915	6,353,066
Total governmental activities program revenues	10,682,280	21,815,447	16,563,953
Business-type activities			
Charges for services	22,263,652	23,108,557	25,809,983
Operating grants and contributions	827,614	1,108,892	-
Capital grants and contributions	1,067,383	4,020,669	2,272,247
Total business-type activities program revenues	24,158,649	28,238,118	28,082,230
Total primary government program revenues	$ 34,840,929	$ 50,053,565	$ 44,646,183
Net (expense)/revenue			
Governmental activities	$(37,701,409)	$(29,630,747)	$(38,760,220)
Business-type activities	2,918,423	6,777,836	5,370,019
Total primary government net expense	$(34,782,986)	$(22,852,911)	$(33,390,201)

Table 2

2019	2020	2021	2022	2023	2024	2025
$ 8,762,392	$ 9,901,828	$ 7,678,903	$ 8,293,081	$ 9,606,894	$ 10,207,283	$ 10,644,502
20,396,702	21,647,212	26,227,399	29,220,408	36,454,820	38,195,557	39,390,009
12,650,861	14,839,605	13,597,575	14,743,553	15,162,754	13,891,525	16,088,223
5,138,466	4,216,584	4,587,759	4,178,055	7,100,096	8,327,647	9,790,718
8,053,419	7,940,337	7,697,763	-	-	-	-
-	-	-	6,377,399	9,625,261	10,230,231	11,023,017
-	-	-	1,411,839	1,753,245	1,819,145	1,722,762
3,242,540	3,122,881	2,886,794	2,805,915	3,319,651	4,370,179	5,381,426
58,244,380	61,668,447	62,676,193	67,030,250	83,022,721	87,041,567	94,040,657
18,910,941	18,543,022	18,640,527	20,536,810	36,231,989	27,370,058	26,132,452
2,194,026	2,321,398	1,895,172	2,546,070	2,937,323	3,214,012	3,357,339
3,179,444	3,464,393	3,563,473	3,780,319	3,966,031	4,260,205	4,626,800
28,894	33,770	80,828	15,493	69,725	63,563	92,733
24,313,305	24,362,583	24,180,000	26,878,692	43,205,068	34,907,838	34,209,324
$ 82,557,685	$ 86,031,030	$ 86,856,193	$ 93,908,942	$ 126,227,789	$121,949,405	$128,249,981
$ 8,480,206	$ 7,845,040	$ 8,780,004	$ 9,394,259	$ 10,296,569	$ 11,541,762	$ 13,253,952
738,026	2,998,564	5,981,907	4,270,180	6,847,951	4,959,441	5,220,897
7,595,136	5,699,075	2,253,873	8,786,321	6,156,887	3,053,302	2,514,257
16,813,368	16,542,679	17,015,784	22,450,760	23,301,407	19,554,505	20,989,106
25,405,060	26,532,808	26,713,025	29,937,355	30,286,310	32,970,946	34,102,135
16,442	8,549	14,260	34,699	21,856	7,181	10,319
3,512,382	3,818,739	2,980,216	5,036,972	3,528,969	2,027,093	2,978,237
28,933,884	30,360,096	29,707,501	35,009,026	33,837,135	35,005,220	37,090,691
$ 45,747,252	$ 46,902,775	$ 46,723,285	$ 57,459,786	$ 57,138,542	$ 54,559,725	$ 58,079,797
$(41,431,012)	$(45,125,768)	$ (45,660,409)	$ (44,579,490)	$ (59,721,314)	$ (67,487,062)	$ (73,051,551)
4,620,579	5,997,513	5,527,501	8,130,334	(9,367,933)	97,382	2,881,367
$(36,810,433)	$(39,128,255)	$ (40,132,908)	$ (36,449,156)	$ (69,089,247)	$ (67,389,680)	$ (70,170,184)

City of Burleson, Texas
Changes in Net Position
Last Ten Fiscal Years (Unaudited)
(Accrual Basis of Accounting)

	2016	2017	2018
General Revenues and Other Changes in Net Position			
Governmental activities:			
Taxes			
Property taxes	$ 20,510,482	$ 21,776,804	$ 21,776,804
Tax Increment Financing	457,438	536,812	536,812
Sales and use taxes	16,595,528	17,099,917	17,099,917
Hotel/motel taxes	219,250	222,652	222,652
Franchise fees	3,166,620	3,113,999	3,113,999
Investment income	243,568	471,436	471,436
Gain (loss) on disposal of assets	-	-	-
Transfers	(108,909)	329,669	329,669
Total governmental activities	41,083,977	43,551,289	43,551,289
Business-type activities:			
Investment income	114,274	311,582	311,582
Gain on disposal of assets	-	33,919	33,919
Transfers	108,909	(329,669)	(329,669)
Total business-type revenues	223,183	15,832	15,832
Total primary government	$ 41,307,160	$ 43,567,121	$ 43,567,121
Change in Net Position			
Governmental activities	$ 3,382,568	$ 13,920,542	$ 4,791,069
Business-type activities	3,141,606	6,793,668	5,385,851
Total primary government	$ 6,524,174	$ 20,714,210	$ 10,176,920

Table 2
(Continued)

2019	2020	2021	2022	2023	2024	2025
$ 26,785,864	$ 28,894,199	$ 29,343,869	$ 30,311,580	$ 33,341,352	$ 37,912,361	$ 40,872,042
683,559	777,021	905,662	1,175,995	1,076,556	1,204,520	1,296,561
19,660,908	21,468,069	24,801,831	28,011,255	29,598,444	30,091,181	31,209,336
237,665	190,187	455,115	466,584	583,802	610,872	535,458
3,383,906	3,404,113	3,732,406	3,931,439	3,754,462	4,168,878	4,623,978
1,772,832	1,950,288	78,034	(484,929)	3,260,690	5,025,245	4,835,250
105,767	1,877,727	70,477	13,402	439,368	(715,205)	745,485
(780,753)	(1,768,268)	(253,075)	742,246	(241,233)	(67,043)	412,109
51,849,748	56,793,336	59,134,319	64,167,572	71,813,441	78,230,809	84,530,219
1,114,808	581,231	44,697	(116,987)	1,804,091	2,260,453	1,232,456
41,100	16,300	15,575	634,561	3,414	(497,120)	52,150
780,753	1,768,268	253,075	(742,246)	241,233	67,043	(412,109)
1,936,661	2,365,799	313,347	(224,672)	2,048,738	1,830,376	872,497
$ 53,786,409	$ 59,159,135	$ 59,447,666	$ 63,942,900	$ 73,862,179	$ 80,061,185	$ 85,402,716
$ 10,418,736	$ 11,667,568	$ 13,473,910	$ 19,588,082	$ 12,092,127	$ 10,743,747	$ 11,478,668
6,557,240	8,363,312	5,840,848	7,905,662	(7,319,195)	1,927,758	3,753,864
$ 16,975,976	$ 20,030,880	$ 19,314,758	$ 27,493,744	$ 4,772,932	$ 12,671,505	$ 15,232,532

City of Burleson, Texas
Fund Balances
Governmental Funds
Last Ten Fiscal Years (Unaudited)
(Modified Accrual Basis of Accounting)

	2016	2017	2018
General Fund:			
Nonspendable	$ 28,174	$ 26,769	$ 40,389
Committed to:			
Debt service	404,607	291,558	802,860
Other Purposes	251,257	299,254	586,007
Assigned to:			
Risk management	1,047,047	1,047,047	1,047,047
Unassigned	9,273,423	8,334,083	7,534,128
Total general fund	$ 11,004,508	$ 9,998,711	$ 10,010,431
All Other Governmental Funds:			
Nonspendable	$ 2,617	$ 5,190	$ 1,412
Restricted for:			
Debt service	2,530,494	2,545,853	2,682,681
Public safety	-	-	-
Parks and recreation	-	-	-
Library	1,096	408	409
Economic development	8,406,131	9,597,492	10,428,389
Tourism	623,803	647,895	721,237
Capital projects	16,233,204	15,166,607	27,103,803
Other purposes	-	-	-
Committed to:			
Culture and recreation	683,099	889,250	875,940
Economic development	484,485	395,759	73,618
Capital projects	8,325,229	8,127,991	6,416,935
Debt service	-	-	-
Unassigned	-	-	-
Total all other governmental funds	$ 37,290,158	$ 37,376,445	$ 48,304,424

Table 3

2019	2020	2021	2022	2023	2024	2025
$ 14,997	$ 4,080	$ 49,800	$ 27,424	$ 28,000	$ 42,000	$ 45,292
622,908	523,325	465,429	405,527	-	-	-
320,191	220,044	234,175	1,025,116	-	-	-
1,369,818	1,260,078	-	-	-	-	-
9,391,334	14,120,506	17,589,905	20,466,098	18,467,600	20,316,733	21,661,774
$ 11,719,248	$ 16,128,033	$ 18,339,309	$ 21,924,165	$ 18,495,600	$ 20,358,733	$ 21,707,066
$ 1,620	$ -	$ -	$ 100,000	$ 11,646	$ 4,903	$ -
2,315,108	3,150,018	2,992,775	2,809,765	5,625,357	6,989,091	4,982,587
-	1,123	414,059	289,721	271,657	186,838	198,624
1,402	618	563	23,405	36,682	723,597	723,597
522	243	815	12,991	1,685	87,575	170,360
10,147,192	13,620,267	8,428,929	8,739,711	11,360,769	14,367,405	15,620,296
770,518	697,823	902,281	1,019,959	404,094	543,866	709,237
28,908,327	21,852,694	15,298,057	16,238,510	25,598,738	54,583,773	69,902,508
-	-	5,203	46,781	288,550	566,737	710,019
981,885	-	-	-	-		
73,618	73,618	-	-	-		
8,263,131	8,517,847	11,614,396	16,548,521	9,458,569	9,886,267	9,094,803
-	-	-	-	-		
-	(1,424,708)	(191,511)	(153,545)	-	-	-
$ 51,463,323	$ 46,489,543	$ 39,465,567	$ 45,675,819	$ 53,057,747	$ 87,940,052	$ 102,112,031

City of Burleson, Texas
Changes in Fund Balances
Governmental Funds
Last Ten Fiscal Years (Unaudited)
(Modified Accrual Basis of Accounting)

	2015	2016	2017	2018
Revenues:				
Property taxes	$ 19,856,938	$ 21,228,368	$ 22,662,335	$ 25,189,670
Sales and use taxes	16,880,929	16,798,919	17,305,748	18,729,392
Franchise fees	3,193,511	3,150,851	3,089,998	3,249,704
Licenses and permits	1,415,034	1,335,198	1,356,969	1,351,498
Intergovernmental	287,832	599,310	1,345,592	1,022,835
Fines and forfeitures	1,422,084	1,402,152	1,543,257	1,445,053
Donations	533,822	251,840	133,652	227,283
Charges for services	3,727,378	3,840,360	4,127,562	4,046,803
Investment income	88,026	223,806	428,422	920,364
Mineral lease	521,976	268,183	311,715	308,858
Street assessments	166,226	143,429	47,481	27,947
Miscellaneous	1,874,647	1,578,783	1,831,166	1,787,707
Total revenues	49,968,403	50,821,199	54,183,897	58,307,114
Expenditures:				
Current:				
General government	5,178,035	5,356,449	6,958,826	7,467,748
Public safety	17,829,372	18,320,238	17,536,369	19,465,973
Public works	5,869,224	6,416,556	6,020,703	6,807,958
Community development	2,834,550	5,057,885	3,159,634	5,449,827
Culture and recreation	6,275,252	6,867,778	7,076,266	7,186,446
Library	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	10,414,349	14,986,952	9,629,088	5,084,668
Debt service:				
Principal	5,230,643	5,741,552	6,295,335	663,791
Interest and fiscal agent charges	3,815,653	3,558,020	3,901,892	3,536,470
Debt issuance costs	-	-	-	173,355
Total expenditures	57,447,078	66,305,430	60,578,113	55,836,236
Excess (deficiency) of revenues over (under) expenditures	(7,478,675)	(15,484,231)	(6,394,216)	2,470,878
Other financing sources (uses):				
Transfers in	8,009,497	12,017,189	10,673,496	6,990,660
Transfers out	(8,288,086)	(12,160,098)	(10,377,827)	(7,289,423)
Issuance of subscription-based IT arrangement	-	-	-	-
Issuance of leases payable	-	-	-	631,520
Issuance of bonds	18,715,000	30,051,092	4,965,000	13,745,000
Payment to refunded bonds escrow agent	(11,047,964)	(23,304,563)	-	-
Premium	2,131,755	3,282,340	214,037	278,976
Sale of capital assets	-	-	-	212,088
Total other financing sources (uses)	9,520,202	9,885,960	5,474,706	14,568,821
Net change in fund balances	$ 2,041,527	$ (5,598,271)	$ (919,510)	$ 17,039,699
Debt service as a percentage of non-capital expenditures (1)	19.75%	19.22%	19.84%	18.71%

(1) There are some capital expenditures reported in various functional expenditure line items and are included in this calculation.

Table 4

2019	2020	2021	2022	2023	2024	2025
$ 27,469,423	$ 29,671,220	$ 30,249,531	$ 31,487,575	$ 34,417,908	$ 38,542,517	$ 42,184,825
19,878,538	21,650,326	25,256,946	28,377,992	30,182,246	30,662,011	31,699,007
3,353,554	3,386,680	3,571,813	3,793,789	3,995,654	4,147,735	4,277,694
1,408,566	1,855,309	1,600,238	1,421,318	1,432,439	1,562,939	1,244,156
535,884	1,421,536	4,324,083	3,331,989	6,127,900	3,435,969	4,288,725
1,116,297	600,142	1,557,088	948,701	884,397	789,365	576,168
859,829	1,104,396	1,224,829	995,633	895,153	915,508	1,078,942
4,191,285	4,631,276	3,921,001	5,057,344	6,382,068	7,726,627	8,623,781
1,535,153	731,941	62,310	(405,313)	2,889,432	4,548,370	4,330,036
274,053	164,269	275,019	618,527	459,240	178,153	209,811
686,010	48,425	59,962	69,999	121,551	112,303	124,505
1,635,999	937,024	1,809,495	1,842,139	1,118,505	1,785,109	2,345,133
62,944,591	66,202,544	73,912,315	77,539,693	88,906,493	94,406,606	100,982,783
8,133,737	9,344,073	7,245,026	7,945,627	8,364,483	8,715,758	8,928,712
18,304,389	20,336,457	24,097,823	28,777,056	33,535,061	35,109,851	36,708,981
6,711,307	6,196,124	6,212,409	7,358,473	8,738,881	7,409,804	8,906,167
5,189,610	4,010,870	5,000,187	5,855,292	7,336,498	8,156,699	9,631,711
7,200,075	6,707,818	7,257,408	-	-	-	-
-	-	-	1,425,891	1,701,953	1,681,197	1,685,776
-	-	-	6,841,115	8,238,979	8,692,869	8,894,543
9,574,077	12,831,619	14,252,846	11,661,005	37,814,845	18,849,165	36,509,919
7,270,453	7,727,653	8,182,255	7,302,472	7,857,118	9,190,547	14,781,859
3,946,604	3,816,809	3,709,678	3,392,116	3,447,403	4,547,859	5,988,508
123,526	152,729	-	160,505	523,259	477,265	351,588
66,453,778	71,124,152	75,957,632	80,719,552	117,558,480	102,831,014	132,387,764
(3,509,187)	(4,921,608)	(2,045,317)	(3,179,859)	(28,651,987)	(8,424,408)	(31,404,981)
8,750,700	9,658,184	16,309,887	19,039,100	14,505,226	11,335,964	13,859,869
(9,439,453)	(11,460,452)	(19,077,270)	(15,296,854)	(15,333,559)	(11,403,007)	(13,447,760)
-	-	-	-	-	-	26,420
-	-	-	-	-	-	-
7,415,000	8,005,000	-	8,095,000	31,770,000	51,270,232	41,830,000
-	(5,304,194)	-	-	-	(9,571,767)	-
727,114	1,585,693	-	675,003	1,555,215	3,538,424	2,246,289
-	1,872,402	-	462,718	108,468	-	2,410,475
7,453,361	4,356,633	(2,767,383)	12,974,967	32,605,350	45,169,846	46,925,293
$ 3,944,174	$ (564,975)	$ (4,812,700)	$ 9,795,108	$ 3,953,363	$ 36,745,438	$ 15,520,312
20.20%	19.54%	19.22%	15.40%	14.18%	16.36%	21.66%

City of Burleson, Texas **Table 5**

Assessed and Estimated Actual
Value of Taxable Property (Unaudited)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Fiscal Year	Residential Property	Industrial/ Commercial Property	Mineral Reserves	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2016	$ 2,423,710,740	$ 809,276,528	$ 160,436,595	$ 381,084,153	$ 3,012,339,710	0.7400	$ 3,012,339,710	100.0%
2017	2,770,858,176	865,977,924	42,719,357	435,249,706	3,244,305,751	0.7350	3,244,305,751	100.0%
2018	3,151,831,317	889,341,356	43,348,115	452,988,413	3,631,532,375	0.7350	3,631,532,375	100.0%
2019	3,561,153,075	939,220,256	50,736,216	543,091,182	4,008,018,365	0.7350	4,008,018,365	100.0%
2020	3,818,515,400	1,045,167,320	84,822,524	555,160,175	4,393,345,069	0.7200	4,393,345,069	100.0%
2021	4,106,205,404	1,180,701,936	52,344,989	631,482,062	4,707,770,267	0.7111	4,707,770,267	100.0%
2022	4,480,842,613	1,175,303,208	44,893,534	637,057,424	5,063,981,931	0.6859	5,063,981,931	100.0%
2023	5,350,824,672	1,280,170,658	75,817,913	665,146,032	6,041,667,211	0.6572	6,041,667,211	100.0%
2024	5,674,249,392	1,578,118,928	107,772,429	1,006,405,362	6,353,735,387	0.6325	6,353,735,387	100.0%
2025	5,911,024,366	1,727,376,649	36,117,408	941,464,170	6,733,054,253	0.6627	6,733,054,253	100.0%

Source: Johnson County Appraisal District

Note: Property in the city is reassessed each year. Property is assessed at actual value; therefore, the assessed values are equal to actual value.

City of Burleson, Texas **Table 6**

Direct and Overlapping Property Tax Rates (Unaudited)
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
OVERLAPPING RATES										
Tarrant County	0.2640	0.2540	0.2440	0.2340	0.2340	0.2340	0.2290	0.2240	0.1945	0.1875
Tarrant County Hospital District	0.2279	0.2279	0.2244	0.2244	0.2244	0.2244	0.2244	0.2244	0.1945	0.1825
Tarrant County College	0.1495	0.1447	0.1401	0.1361	0.1302	0.1302	0.1302	0.1302	0.1122	0.1123
Tarrant County Regional Water District	0.0200	0.0194	0.0194	0.0194	0.0287	0.0287	0.0287	0.0269	0.0267	0.0267
Johnson County	0.4077	0.4227	0.4417	0.4417	0.3847	0.3847	0.3797	0.3350	0.3293	0.3293
Burleson Independent School District	1.5400	1.5400	1.6700	1.6700	1.5684	1.5383	1.4946	1.2575	1.2575	1.2552
Joshua Independent School District	1.6000	1.6100	1.6000	1.5200	1.4400	1.3960	1.2900	1.0872	1.0872	1.2575
Crowley Independent School District	1.6500	1.6500	1.6700	1.6700	1.5684	1.5398	1.4841	1.2575	1.2575	1.2552
CITY DIRECT RATES										
Operating & Maintenance	0.5278	0.5228	0.5228	0.5228	0.5106	0.5187	0.4974	0.4649	0.4402	0.4704
Interest & Sinking	0.2122	0.2122	0.2122	0.2122	0.2094	0.1924	0.1885	0.1923	0.1923	0.1923
Total Direct Rate	0.7400	0.7350	0.7350	0.7350	0.7200	0.7111	0.6859	0.6572	0.6325	0.6627

Sources: Tarrant Appraisal District, Johnson County Tax Office, City records

Note: All rates per $100 assessed value
Totals are not provided for columns since they would be meaningless.
Some of the jurisdictions are mutually exclusive

City of Burleson, Texas **Table 7**

Principal Property Taxpayers (Unaudited)
Current Year and Nine Years Ago

	2025			2016		
Taxpayer	**Taxable Assessed Valuation**	**Rank**	**Percentage of Total Taxable Assessed Valuation**	**Taxable Assessed Valuation**	**Rank**	**Percentage of Total Taxable Assessed Valuation**
Shannon Creek Apartments II LLC	$ 68,772,734	1	1.02 %			
Wagner Smith Equipment Co.	42,316,977	2	0.63	$ 29,847,294	1	0.79 %
Burleson Gateway Station LP	40,868,905	3	0.61	$ 25,445,562	2	0.67 %
Abby Burleson LLC	30,916,435	4	0.46			
Burleson Cold Storage II LP	27,812,292	5	0.41			
Burleson Cold Storage LP	25,997,292	6	0.39			
TJC DFW Vercanta LLC	24,896,335	7	0.37			
Abby Burleson MF LLC	22,328,637	8	0.33			
Peak Burleson 85 BFR Property LLC	22,123,046	9	0.33			
Depot On Main Holdings LLC	21,790,195	10	0.32			
Halliburton Energy Services	-		-	21,436,431	3	0.57
H E BUTT Grocery Company	-		-	20,725,568	4	0.55
Sam's Real Estate Business/Sam's East	-		-	18,817,470	5	0.50
Baker Hughes Oilfield Operations INC	-		-	18,605,022	6	0.49
EB Reserve LLC & RL Reserve LLC	-		-	15,808,651	7	0.42
Dolce Living at Burleson				13,454,590	8	0.36
JAHCO Burleson Town Center	-		-	13,400,000	9	0.36
Encore MF Burleson LP	-		-	13,313,376	10	0.35
Total	$ 327,822,848		4.87 %	$ 190,853,964		5.06 %

Source: Johnson County Appraisal District/Tarrant County Appraisal District

City of Burleson, Texas **Table 8**

Property Tax Levies and Collections (Unaudited)
Last Ten Fiscal Years

Fiscal Year Ended 9/30	Actual Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2016	2015	$ 20,896,042	$ 20,713,371	99.13%	$ 78,741	$ 20,792,112	99.50%
2017	2016	22,079,157	21,915,940	99.26%	36,989	21,952,930	99.43%
2018	2017	24,363,253	24,227,984	99.44%	50,431	24,278,414	99.65%
2019	2018	26,776,792	26,583,649	99.28%	90,112	26,673,761	99.62%
2020	2019	28,878,855	28,571,233	98.93%	27,507	28,598,740	99.03%
2021	2020	29,922,991	29,874,354	99.84%	39,891	29,914,245	99.97%
2022	2021	31,353,198	31,152,307	99.36%	39,986	31,192,293	99.49%
2023	2022	34,224,910	34,074,994	99.56%	66,279	34,141,273	99.76%
2024	2023	38,449,694	38,270,937	99.54%	94,816.00	38,365,753	99.78%
2025	2024	42,062,637	41,658,357	99.04%	-	41,658,357	99.04%

Sources: Johnson County Tax Office reports

City of Burleson, Texas

Ratios of Outstanding Debt by Type
and General Bonded Debt Outstanding (Unaudited)
Last Ten Fiscal Years

	GOVERNMENTAL ACTIVITIES							BUSINESS-TYPE ACTIVITIES	
Fiscal Year	General Obligation Bonds	Certificates of Obligation (1)	Sales Tax Revenue Bonds	Leases	Financed Purchases	Subscription Liabilities	Unamortized Premium	General Obligation Bonds	Certificates of Obligation
2016	$ 68,653,213	$ 20,895,000	$ 3,815,000	$ 419,067	$ -	$ -	$ 8,325,210	$ 24,816,787	$ 24,050,000
2017	73,129,176	23,256,570	3,179,150	297,396	-	-	7,418,969	24,159,171	31,672,038
2018	63,172,356	33,695,000	2,380,000	806,613	-	-	6,599,717	20,087,644	36,690,000
2019	58,076,855	39,880,000	1,615,000	624,426	-	-	6,294,038	17,638,144	39,665,000
2020	52,038,785	41,875,000	825,000	523,326	-	-	6,846,544	15,266,215	42,015,000
2021	46,569,428	40,045,000	-	465,429	-	-	5,704,181	17,250,572	35,795,000
2022	42,596,857	44,870,000	-	405,528	-	-	5,388,903	14,333,143	39,730,000
2023	46,036,714	65,405,000	-	343,553	-	1,058,729	6,005,511	11,323,286	46,540,000
2024	47,900,232	96,100,000	-	279,435	1,223,463	752,102	8,089,400	11,269,768	40,945,000
2025	49,089,709	122,025,000	-	213,100	-	6,429,221	9,235,761	8,275,291	48,290,000

Details regarding the City's outstanding debt can be found in the notes to the financial statements.
(1) Includes certificate of obligation secured by a combination of property and sales tax revenue.
(2) Includes governmental activities and business-type activities debt.
(3) See Table 13 for population and personal income data.

Table 9

BUSINESS-TYPE ACTIVITIES					
Leases	Water Revenue Bonds	Unamortized Premium	Total Primary Government (2)	Percentage of Personal Income (3)	Per Capita (3)
$ 12,108	$ 3,655,000	$ 3,548,319	$ 158,189,704	13.02%	$ 3,717
8,937	3,582,475	3,349,611	170,053,493	13.17%	3,868
5,748	3,285,000	3,028,819	169,750,897	12.30%	3,784
2,326	2,708,028	3,002,559	169,506,376	11.44%	3,716
-	2,900,000	3,267,486	165,557,356	10.63%	3,557
-	2,700,000	2,771,511	151,301,121	8.94%	2,993
-	2,495,000	2,842,740	152,662,171	9.51%	3,040
-	2,285,000	2,860,670	181,858,463	9.58%	3,517
-	2,065,000	2,562,538	211,186,938	9.99%	3,947
-	1,840,000	2,733,191	248,131,273	11.10%	4,500

City of Burleson, Texas

Net General Bonded Debt Outstanding (Unaudited)
Last Ten Fiscal Years

	GOVERNMENTAL ACTIVITIES				BUSINESS-TYPE ACTIVITIES	
Fiscal Year	General Obligation Bonds	Certificates of Obligation (3)	Unamortized Premium	Less: Amounts Available in Debt Service Fund	General Obligation Bonds (3)	Certificates of Obligation (3)
2016	$ 68,653,213	$ 20,895,000	$8,325,210	$ 815,726	$ 24,816,787	$ 24,050,000
2017	73,129,176	23,256,570	7,418,969	821,623	22,564,073	30,030,000
2018	63,172,356	33,695,000	6,599,717	935,135	20,087,644	36,690,000
2019	58,076,856	39,880,000	6,294,038	526,482	17,638,144	39,665,000
2020	52,038,785	41,875,000	6,846,544	2,398,153	15,266,215	42,015,000
2021	46,569,428	40,045,000	5,704,181	2,241,124	17,250,572	35,795,000
2022	42,596,857	44,870,000	5,388,903	2,521,806	14,333,143	39,730,000
2023	46,036,714	65,405,000	6,005,511	5,251,592	11,323,286	46,540,000
2024	47,900,232	96,100,000	8,089,400	6,477,919	11,269,768	40,945,000
2025	49,089,709	122,025,000	9,235,761	6,790,691	8,275,291	48,290,000

Details regarding the City's outstanding debt can be found in the notes to the financial statements.
(1) See Table 5 for taxable value of property data.
(2) See Table 13 for population and personal income data.
(3) Includes debt secured by a combination tax and revenue pledge.
(4) These bonds are serviced completely by revenue streams other than general property taxes.

Table 10

BUSINESS-TYPE ACTIVITIES					
Unamortized Premium	Total General Bonded Debt	Less: Self-supported Debt (4)	Net General Bonded Debt Outstanding	Percentage of Actual Property Value (1)	Per Capita (2)
$ 3,548,319	$ 149,472,803	$ 70,561,740	$ 78,911,063	2.62%	$ 1,854
3,349,611	158,926,776	72,145,034	86,781,742	2.67%	1,974
3,028,819	162,338,401	83,101,740	79,236,661	2.18%	1,766
3,002,559	164,030,115	90,211,289	73,818,826	1.84%	1,618
3,267,486	158,910,877	73,562,446	85,348,431	1.94%	1,834
2,771,511	145,894,568	68,218,869	77,675,699	1.59%	1,450
2,842,740	147,239,837	85,172,633	62,067,204	1.23%	1,236
2,860,670	172,919,589	108,414,374	64,505,215	1.07%	1,247
2,562,538	200,389,019	126,368,357	74,020,662	1.16%	1,383
2,733,191	232,858,261	139,235,366	93,622,895	1.39%	1,698

THE CITY OF
BURLESON
TEXAS

City of Burleson, Texas **Table 11**

Direct and Overlapping
Governmental Activities Debt (Unaudited)
September 30, 2025

Governmental Unit	Debt Outstanding	Estimated Percent Applicable (1)	Estimated Share of Direct and Overlapping Debt
City of Burleson	$ 186,992,791	100%	$ 186,992,791
Johnson County	45,490,000	21.61%	9,830,389
Tarrant County	345,130,000	0.35%	1,207,955
Tarrant County Hospital District	438,230,000	0.35%	1,533,805
Tarrant County Junior College District	569,915,000	0.35%	1,994,703
Burleson ISD	232,880,000	61.61%	143,477,368
Joshua ISD	183,475,000	25.22%	46,272,395
Total overlapping debt			$ 204,316,615
Total direct and overlapping debt			$ 391,309,406
Per capita direct and overlapping debt			$ 7,096

(1) Overlapping percentage calculated as follows:

$$\frac{\text{Overlapping portion of the government's tax base}}{\text{Total tax base of the overlapping government}}$$

Population: 55,144

Source: Hilltop Securities

City of Burleson, Texas

Pledged – Revenue Bond Water and Sewer Coverage (Unaudited)
Last Ten Fiscal Years

	WATER AND SEWER DEBT				
				Revenue Bonds	
				Debt Service	
Fiscal Year	Gross Revenues(1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Principal	Interest
2016	$ 18,593,177	$ 10,989,736	$ 7,603,441	$ 890,000	$ 365,595
2017	19,789,388	10,568,950	9,220,438	185,000	118,625
2018	22,369,878	11,552,023	10,817,855	185,000	114,925
2019	23,030,483	12,765,375	10,265,108	190,000	111,175
2020	22,316,565	12,719,362	9,597,203	195,000	106,838
2021	21,935,286	12,878,090	9,057,196	200,000	101,900
2022	24,505,013	13,749,990	10,755,023	205,000	96,325
2023	26,288,132	24,353,880	1,934,252	210,000	90,100
2024	28,403,739	20,881,191	7,522,548	220,000	83,650
2025	27,828,996	21,090,327	6,738,669	225,000	76,412

Notes:
(1) Includes operating revenues and investment income from Table C-2
(2) Direct operating expenses are total operating expenses excluding depreciation expense and net pension obligation expense.

Table 12

WATER AND SEWER DEBT

Revenue Bonds		Combination Tax & Revenue Bonds				Total
Debt Service		Debt Service				Water & Sewer
Total	Coverage	Principal	Interest	Total	Coverage	Bond Coverage
$ 1,255,595	6.06	$ 1,450,000	$ 924,667	$ 2,374,667	3.20	2.09
303,625	30.37	1,420,000	941,453	2,361,453	3.90	3.46
299,925	36.07	1,475,000	1,115,842	2,590,842	4.18	3.74
301,175	34.08	1,495,000	1,429,433	2,924,433	3.51	3.18
301,838	31.80	1,740,000	1,517,402	3,257,402	2.95	2.70
301,900	30.00	1,950,000	1,489,023	3,439,023	2.63	2.42
301,325	35.69	1,675,000	1,324,769	2,999,769	3.59	3.26
300,100	6.45	1,925,000	1,503,142	3,428,142	0.56	0.52
303,650	24.77	2,290,000	1,716,725	4,006,725	1.88	1.75
301,412	22.36	2,090,000	1,624,891	3,714,891	1.81	1.68

City of Burleson, Texas **Table 13**

Demographic and Economic Statistics (Unaudited)
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (thousands of dollars) (2)	Per Capita Income (6)	Median Age (3)	Public School Enrollment (4)	Unemployment Rate (5)
2016	$ 42,560	$ 1,214,833	$ 28,544	32.9	11,376	3.1%
2017	43,960	1,291,589	29,381	32.8	11,748	3.2%
2018	44,860	1,380,162	30,766	33.0	12,054	3.2%
2019	45,620	1,481,783	32,481	33.0	12,440	2.9%
2020	46,540	1,557,461	33,465	33.0	12,775	6.9%
2021	47,730	1,597,284	33,465	35.3	12,474	4.0%
2022	50,210	1,606,017	31,986	35.3	12,532	2.9%
2023	51,715	1,897,941	36,700	35.4	12,631	3.3%
2024	53,504	2,114,916	39,528	36.6	12,492	3.4%
2025	55,144	2,235,427	40,538	36.7	12,492	3.2%

Sources:
(1) North Central Texas Council of Governments(Census 2000 information average)
(2) Personal Income is derived by multiplying per capita income by the estimated population
(3) City of Burleson Economic Development
(4) Burleson Independent School District
(5) Texas Workforce Commission
(6) U.S. Census Bureau

City of Burleson, Texas **Table 14**

Principal Employers (Unaudited)
Current Year and Nine Years Ago

	2025			2016		
Employer	**Employees**	**Rank**	**Percent**	**Employees**	**Rank**	**Percent**
Burleson Independent School District	1,800	1	8.73 %	1,500	1	10.96 %
City of Burleson	650	2	3.15	408	2	2.98
H.E.B. Grocery	600	3	2.91	370	4	2.70
Wal-Mart	500	4	2.43	375	3	2.74
Jellystone RV Ranch/Pirates Cove	400	5	1.94			
Golden State Foods	320	6	1.55			
Champion Buildings Mfg	300	7	1.46	335	5	2.45
Air Center Helicopter	229	8	1.11			
Basden Steel	150	9	0.73	161	7	1.18
Hayes & Stolz	105	10	0.51			
Target				175	6	1.28
Lowe's				140	8	1.02
KWS Manufacturing				135	9	0.99
Thomas Conveyor Mfg				130	10	0.95
Total	5,054		24.52 %	3,729		27.25 %

Source: City of Burleson Economic Development Department (JobsEQ Report)

City of Burleson, Texas

Full-Time Equivalent City Government Employees
By Function/Program (Unaudited)
Last Ten Fiscal Years

Function/Program	2016	2017	2018
General government and Administration			
City manager's office	5.00	4.00	4.00
City secretary's office	5.00	4.00	4.00
Support Services	1.00	1.00	1.00
Records management	1.00	1.00	1.00
Information technology	8.00	8.00	9.00
Economic development	2.50	2.50	2.50
Human resources	4.00	4.00	4.00
Communications	1.00	2.00	2.00
Library	11.00	11.00	11.00
Judicial	1.50	1.00	-
Legal	1.00	1.00	1.00
Finance	8.00	8.00	8.00
Purchasing	1.00	1.00	1.00
Public Safety			
Police	84.00	84.50	85.50
Dispatch**	-	-	-
Fire	40.00	48.00	48.00
Fire prevention	3.00	3.00	3.00
Emergency Services	-	-	-
Municipal court	3.00	4.00	4.00
Marshals Service	3.00	3.00	3.00
Public Works			
Public works administration	6.00	6.00	6.00
Street maintenance	17.00	18.00	17.00
Neighborhood services	2.00	2.00	2.00
Animal services	5.00	5.50	5.50
Environmental services	1.50	2.00	2.00
Facility maintenance	3.00	5.00	5.00
Planning	5.00	5.00	5.00
Building code enforcement	9.00	9.00	10.00
Community development	2.50	2.50	2.50
Engineering	12.00	12.00	12.00
Parks & Recreation			
Parks & recreation administration	2.00	2.00	2.00
Recreation	41.90	38.10	38.60
Park maintenance	12.00	12.00	12.00
Senior citizens center	2.00	2.00	3.00
Athletic Fields	8.80	8.10	7.10
Russell Farm	1.00	1.00	1.40
Enterprise Operations and Administration			
Water/Wastewater			
Water & sewer services	21.00	21.00	21.00
Utility billing	8.00	8.00	8.00
Hidden Creek Golf Course			
Golf course administration	2.00	2.00	2.00
Golf course club house & pro shop	6.50	6.50	6.50
Golf course maintenance	8.50	9.00	9.00
Golf course food & beverage	4.30	4.20	4.20
Solid Waste	1.00	1.00	1.00
Internal Service Operations			
Equipment services	3.00	3.00	3.00
Total	368	375.9	377.8

*Source: City of Burleson Adopted Annual Operating Budget (beginning in FY 2019)
**Dispatch separated from Police into separate department beginning in FY2021

Table 15

2019*	2020*	2021*	2022*	2023*	2024*	2025*
4.00	3.00	3.00	3.00	2.00	4.00	4.00
4.00	4.00	3.00	3.00	3.00	3.00	3.00
1.00	-	-	-	-	-	-
1.00	1.00	1.00	1.00	1.00	1.00	1.00
10.00	10.00	10.00	11.00	12.00	14.00	15.00
2.00	2.00	3.00	3.00	3.00	3.00	4.00
4.00	4.00	5.00	6.00	6.00	7.00	7.00
2.50	4.00	4.00	4.50	4.50	4.50	4.50
12.00	12.00	11.00	11.00	12.00	12.00	12.00
-	-	-	0.50	0.50	0.50	0.50
1.00	1.00	1.00	1.00	1.00	2.00	2.00
9.00	9.00	10.00	10.00	10.00	10.00	10.00
1.00	1.00	1.00	1.00	2.00	2.00	2.00
90.76	95.76	86.50	92.50	100.50	104.50	104.50
-	-	19.26	19.26	22.26	22.00	22.00
49.00	49.00	49.00	56.00	67.00	61.00	61.00
3.00	4.00	4.00	4.00	-	-	-
1.00	1.00	1.00	1.00	-	18.00	18.00
4.00	4.00	4.00	4.00	4.00	5.00	5.00
3.00	3.00	3.00	3.00	2.00	-	-
6.00	6.00	6.00	6.00	7.00	6.00	6.00
17.00	20.00	22.00	22.00	23.00	22.00	23.00
2.00	2.00	2.00	1.00	1.00	-	-
5.00	5.50	5.50	5.50	6.00	6.00	6.50
2.00	3.00	3.00	2.00	2.00	1.00	1.00
5.00	5.00	5.00	5.00	5.00	5.00	5.00
4.00	4.00	3.00	3.00	3.00	5.00	5.00
10.00	10.00	10.00	12.00	12.00	14.00	14.00
5.00	4.00	2.00	2.00	2.00	-	-
11.50	10.00	10.00	12.00	14.00	15.00	15.00
2.00	2.00	1.00	1.00	2.00	2.00	2.00
42.26	42.26	43.76	45.76	44.76	44.76	44.76
11.91	11.91	11.91	14.91	15.41	16.91	16.91
2.84	2.84	2.84	2.84	2.84	2.84	2.84
8.83	8.83	7.83	8.83	8.83	8.83	8.83
2.28	2.28	2.28	2.28	2.28	2.28	2.28
21.00	21.00	21.00	21.00	24.00	25.00	25.00
8.00	8.00	8.00	9.00	11.00	9.00	9.00
2.00	2.00	1.00	-	-	-	-
6.80	6.80	6.80	6.80	6.80	7.80	7.80
8.68	8.68	7.68	7.68	7.68	7.68	7.68
4.19	4.19	4.19	4.19	4.19	4.19	4.19
1.00	-	-	-	-	-	-
3.00	3.00	4.00	4.00	5.00	7.00	7.00
394.55	401.05	409.55	433.55	462.55	485.79	489.29

THE CITY OF
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City of Burleson, Texas — Table 16

Schedule of Insurance Policies in Force (Unaudited)
As of September 30, 2025

	AM Best Rating	Policy Number	Policy Period	Coverage	Deductibles	Liability Limits
Texas Municipal League Intergovernmental Risk Pool	A++	3511	10/1/2024 10/1/2025	General Liability	-	$ 2,000,000
				Real & Personal Property	$ 2,500	As Scheduled
				Flood	25,000	5,000,000
				Earthquake	25,000	10,000,000
				Boiler and Machinery	2,500	100,000
				Mobile Equipment	500	As Scheduled
				Auto Liability	-	2,000,000
				Auto Physical Damage	-	50,000
				Auto Physical Damage	1,000	-
				Law Enforcement Liability	1,000	4,000,000
				Errors & Omissions	5,000	4,000,000
				Public Employee Dishonesty	250	500,000
				Theft Disappearance and Destruction	100	20,000
				Computer Fraud	50,000	100,000
				Cyber Coverage	25,000	3,000,000
				Workers' Compensation	N/A	N/A

Source: Claims administrators - TML Claims, 18601 LBJ Freeway, Suite 210, Tower East Tower, Mesquite, TX 75150

City of Burleson, Texas

Operating Indicators by Function/Program (Unaudited)
Last Ten Fiscal Years

	2016	2017	2018
Public safety			
Police			
Total calls	72,900	63,460	59,062
Arrests	1,089	1,045	1,107
Traffic enforcement	6,312	11,374	8,733
Fire			
Number of calls for service	4,338	4,491	4,274
Inspections	4,012	2,895	1,427
Animal Control			
Animals Adopted	457	564	719
Animals Impounded	2,041	2,352	1,777
Environmental Health			
Permits[1]	-	265	294
Inspections	182	521	507
Community Development			
Permits Issued[3]	7,088	4,829	4,844
Inspections Made	15,186	14,225	13,104
Parks and Recreation			
Recreation			
Special Event Participants	41,300	44,225	44,500
Senior Citizen Participants[4]	37,688	36,450	35,247
Library			
Books in Collection	70,828	70,210	68,980
Materials borrowed[2]	436,033	333,290	338,654
Water and Sewer			
Number of water customers	14,224	14,432	14,588
Number of sewer connections	14,457	14,513	14,849
Gas Well			
Number of Permits	-	-	-
Number of Pad Site Inspections[5]	2,964	3,380	3,276

Notes:
(1) All permits collected by Tarrant County Health Department prior to June 2020.
(2) Beginning 2017, Library discontinued counting in-house circulations.
(3) Permits issued include building, fire prevention, and garage sales.
(4) People counters installed in 2019 to track attendance.
(5) Frequency of Gas Well Pad Site Inspections changed beginning in 2019.

Source: Various City Departments

Table 17

2019	2020	2021	2022	2023	2024	2025
45,349	44,477	56,916	54,364	57,780	49,916	44,868
1,210	1,276	1,221	1,314	1,458	1,626	1,635
6,672	5,162	7,754	6,864	6,749	5,409	3,481
4,505	4,473	5,174	6,387	7,105	9,150	9,379
3,281	2,139	2,170	2,132	2,129	2,853	1,854
799	674	660	678	699	663	621
1,860	1,585	1,697	1,704	1,775	1,312	1,590
336	334	388	468	525	633	585
447	529	670	690	663	607	805
4,560	4,610	3,864	4,279	3,970	4,243	3,707
12,276	15,207	13,495	14,090	13,626	16,440	11,552
45,200	17,585	19,295	37,161	65,534	69,478	83,525
55,032	Closed - Covid	14,749	38,195	50,870	55,899	56,982
65,951	65,107	63,559	53,849	50,207	47,918	48,758
348,100	287,183	278,508	267,053	296,857	317,594	321,773
15,185	15,437	15,641	15,908	16,110	16,474	16,375
15,666	16,050	16,304	16,635	16,972	17,105	17,149
-	-	-	-	-	-	-
1,000	1,000	126	126	126	70	63

City of Burleson, Texas

Miscellaneous Statistics (Unaudited)
Last Ten Fiscal Years

		2016	2017	2018
Date of incorporation	May 12, 1912			
Date of charter	April 5, 1989			
Area incorporated	(square miles)	28.06	28.21	28.28
Form of government	Council/Manager			
Education:				
Attendance centers		16	16	16
Number of teachers		706	759	773
Number of students		11,376	11,748	12,054
Miles of streets		192.76	196.86	201.10
Miles of sewers:				
Sanitary sewers		203.38	209.15	213.42
Storm sewers		50.68	55.74	60.17
Culture and recreation:				
Parks - number of acres		486.19	477.66	542.8
Number of municipal pools		2	2	2
Number of lighted ball diamonds		16	16	16
Number of community centers		2	2	2
Municipal water system:				
Number of water customers		14,224	14,432	14,588
Daily average consumption (gallons)		4,196,295	4,582,278	4,928,277
System capacity (gallons per day)		17,500,000	17,500,000	17,500,000
Miles of water mains		204.72	208.61	211.44
Number of fire hydrants		1,497	1,553	1,568
Municipal sewer system:				
Number of sewer connections		14,457	14,513	14,849
System capacity (gallons per day)		11,890,000	11,890,000	11,890,000
Number of street lights		1,539	1,576	1,588

Source: Various City Departments

Table 18

2019	2020	2021	2022	2023	2024	2025
28.33	28.37	28.39	28.46	29.26	29.41	29.55
17	17	18	18	18	18	18
780	800	813	828	818	956	836
12,340	12,775	12,474	12,532	12,631	12,718	12,759
209.05	212.96	215.45	222.03	223.16	225.46	229.09
214.99	215.49	217.59	225.08	227.63	231.46	229.60
59.97	60.70	62.48	62.76	66.73	69.63	69.85
554.49	565.05	562.1	554.65	555.8	560.25	572.9
2	2	2	2	2	2	2
18	18	18	18	18	18	18
2	2	2	2	2	2	2
15,185	15,437	15,641	15,908	16,110	16,474	16,375
4,354,776	4,544,416	4,502,115	5,256,882	5,587,416	5,150,025	5,218,510
17,500,000	17,500,000	17,500,000	17,500,000	17,500,000	17,500,000	17,500,000
212.49	216.14	220.73	223.32	227.34	228.22	227.72
1,587	1,628	1,661	1,692	1,739	1,780	1,782
15,666	16,050	16,304	16,635	16,972	16,797	17,149
11,890,000	11,890,000	11,890,000	11,890,000	11,890,000	11,890,000	11,890,000
1,638	1,640	1,638	1,628	1,690	2,029	1,727

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